

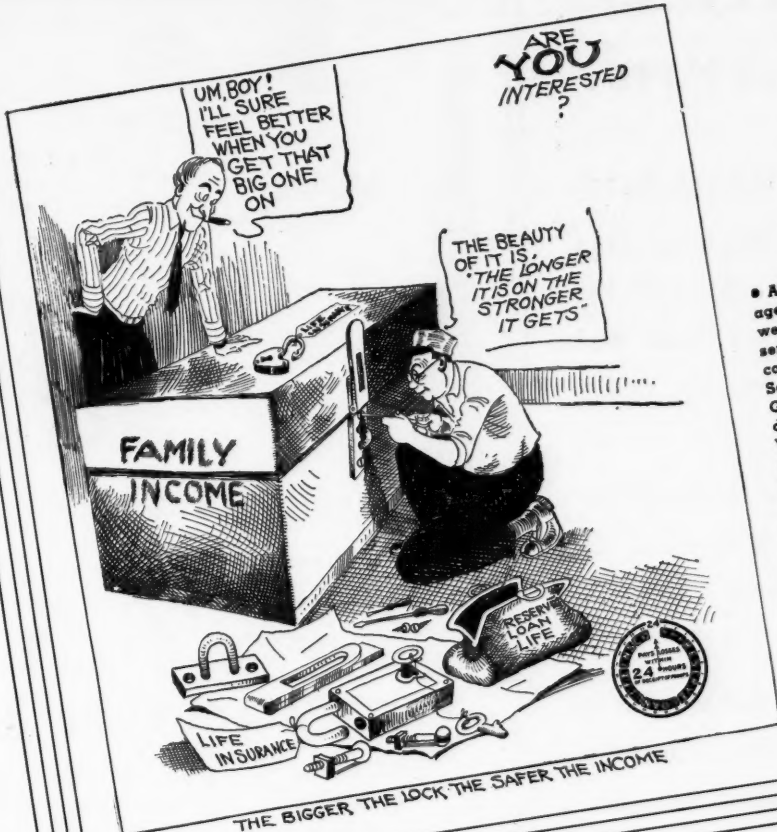
The NATIONAL UNDERWRITER

Life Insurance Edition

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• At the request of many agents and policyholders we are repeating the series of now famous cartoon cuts "Hints to Salesmen," designed by Guilford A. Deitch and drawn by the late Gar Williams, the well-known cartoonist, especially for the Reserve Loan Life. These were first used 25 years ago. This company was one of the pioneers in the country in using cartoons and humor in advertising.

AS you protect your clients' income by adequate forms of life insurance you can protect your own income by Reserve Loan Life's non-forfeitable renewal commissions. It gives you a great advantage! Ask for details now.

Reserve Loan Life

INSURANCE COMPANY

INDIANAPOLIS INDIANA

FRIDAY, OCTOBER 18, 1935



WE DO *Not* BELIEVE IN A COLD CANVASS MAKE IT *Warm!*

"Cold canvass" chills the courage of an Agent.

For that reason we place in the hands of our field representatives canvassing material aglow with the warmth of human interest and friendliness that attracts attention and extracts information, swiftly and pleasantly.

This is one of the big reasons the National Life and Accident Insurance Company is entering the home stretch and the American home with more business on its books than at any time in its history.

(There is a distinct and separate department in the Home Office whose only function is to help Agents find the way to new homes, quickly and directly, via advanced canvass procedure, radio, newspaper publicity, seasonal ideas—comprehensive, complete and unduplicated.)



The **NATIONAL
LIFE AND
ACCIDENT**
Insurance Company Inc.

C. A. Craig, Chairman of the Board



HOME OFFICE
NATIONAL BLDG.
NASHVILLE
TENNESSEE
• WSM •
50,000 WATTS

W. R. Wills, President



Motherless all day... his dad's insurance didn't provide money every month

YOU CAN LEAVE your family an income of \$100 EVERY MONTH if you're earning \$45 a week or more

THE UNION CENTRAL LIFE INSURANCE COMPANY
AMERICAN FAMILY SINCE 1857

"Children ARE MY ADVANCE SALESMEN"

THE fearful little fellow in this advertisement is one of Union Central Life's best salesmen. Every father who noticed him in the Saturday Evening Post and Time Magazine last month instinctively put his own child into that photograph. He realized that someday—perhaps—his little boy might face the same situation.

R. P. MacDermott, one of Union Central Life's agents in Worcester, Mass., paid for \$312,714 of new business in the first six months of 1935. 62% of this was the Multiple Protection offered in the advertising.

Mr. MacDermott said:

"The children used in our advertising are my advance salesmen. They get into my prospect's home and tell him my story. That cuts down selling time . . . means more commissions for me."

It means the same for other Union Central agents, too. Of the total new life insurance business paid-for in the first six months of this year, 44% was Multiple Protection.

The
UNION CENTRAL
Life Insurance Company

CINCINNATI

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Thirty-Ninth Year—No. 42

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 18, 1935

\$3.00 Per Year, 15 Cents a Copy

Trend Is Noted to Par Annuities

Gives Good Return to Purchaser
and Protects Issuing
Company

CAMP DISCUSSES METHOD

Equitable of New York Man Explains
System for Calculating Dividends
on New Forms

NEW YORK, Oct. 17.—The apparent trend toward participating annuities as a means of giving the buyer a good return on his money and yet protecting the company against unforeseen declines in investment return or increases in longevity among annuitants renders the paper on participating annuity dividends presented by Kingsland Camp of the Equitable Life of New York, at the recent Actuarial Society meeting in Toronto, of timely interest. He dealt with the method of calculation of such dividends worked out by Robert Henderson, vice-president and actuary Equitable Life of New York.

Method of Calculation

The Equitable's method of calculating dividends on participating annuities really involves two separate premium rates: (1) The ultra conservative rate at which the company pays a guaranteed annuity income no matter what the future experience may be, and (2) a rate, subject to change at the company's judgment, reflecting what the actuaries consider to be a moderately conservative picture of future experience. The annuity which the office premium (1) buys at rate (2) exceeds the guaranteed income by an amount which is called the dividend.

In effect, the company says to the annuitant: "We'll guarantee to pay you so much a year. That return is based on interest and mortality conditions more expensive than even the most cautious person looks for. Then, each year, we will compute the share of the company's assets which your annuity represents and figure out how much of an annuity return you ought to get if conditions generally continue to be as we reasonably expect that they will be. The difference between that rate and your guaranteed rate will be your dividend."

Use Conservative Basis

"We're going to be conservative, even in figuring that rate, so it is likely that the relative asset value of your annuity will increase gradually from this cause, resulting in a slowly increasing scale of dividends. Of course, if it should turn out that costs are higher than this reasonable estimate assumes, we would have to lower the rate, resulting in lower dividends generally on participating annuities."

Companies issuing participating annuities on an increasing dividend scale hold

(CONTINUED ON PAGE 8)

Linton in Talk to Chamber of Commerce on Social Acts

FEARS HUGE RESERVE FUNDS

President of Provident Mutual Life Is
Guest at Luncheon at
Annual Meeting

A great crowd thronged the ballroom of the Hotel Sherman in Chicago last week to hear M. Albert Linton, president Provident Mutual Life, at a luncheon sponsored by the insurance division of the Illinois chamber of commerce in connection with the annual meeting of that body. His subject was "Social Security, Unemployment Compensation and Old Age Pensions." Although the Chicago Association of Life Underwriters canceled its October meeting and took large numbers of tables, men from other industries appeared to be in a majority. Mr. Linton has a wonderful faculty of clearness and was listened to with keen attention.

James S. Kemper, Lumbermen's Mutual Casualty, presided and introduced prominent members of the Illinois chamber, including H. A. Behrens, president Continental Casualty and Continental Assurance and chairman of the insurance committee of the chamber. Mr. Behrens spoke briefly, lauding the Illinois chamber of commerce for its constructive work in legislation, and especially in promoting efficiency in insurance supervision in the state.

Unemployment Plan Described

Mr. Linton took up unemployment insurance first. He said the federal plan contemplates the establishment of approved state plans. Payments into the state plan are credited up to 90 percent of the federal tax. Thus if the federal tax is 3 percent, as it will be in 1938, and the state tax is 2.7 percent, the cost to the employer will be 3 percent of the payroll. If the state goes ahead and charges the full 3 percent for its own fund, the total tax to the employer will be 3.3 percent, that is 3 percent to the state, plus the net 10 percent uncredited of the federal levy. This tax applies where there are eight employees or more, and large classes are omitted, such as agricultural labor, domestic servants, public employees, etc.

Benefits Not Determined

There is nothing in the federal law on benefits. The details are left to the states. Mr. Linton doubts whether theories will prove any guide and believes the country can only learn by experience. The law will apply to 22,000,000 or 23,000,000 workers, less than half of those engaged in employment. It will not apply to those unemployed. They will have to get jobs and qualify to come under the benefits. Taking the only data available, which is very weak and insufficient, actuaries consider that a levy of 2.7 percent will only be adequate to pay half wages, with a \$15 top after a four weeks waiting period, for a period of ten weeks. This of course is a mere trifle in a major depression. There are many who consider that the plan is vulnerable to constitutional objections, but the hope of the backers is supposed to be that many states will

(CONTINUED ON PAGE 6)

Agency Officers and Bureau Meeting Program Completed

THREE PRESIDENTS TO TALK

Worthington, Home Life; McConney,
Bankers of Iowa; Clark, Union Central,
Among Speakers

The program has been completed for the annual meeting of the Life Insurance Sales Research Bureau and the Association of Life Agency Officers, Nov. 11-13 in Chicago. There will be an outstanding group of speakers on significant topics, the program including three company presidents: M. A. Linton, Provident Mutual; George W. Smith, New England Mutual, and E. A. Olson, Mutual Trust.

An outside feature will be the presentation by Professors Borden and Busse of New York University of a dialogue on "How to Make a Presentation Stay Presented."

The program is as follows:

November 11

Opening remarks by A. L. Dern, chairman Research Bureau board of directors, vice-president and manager of agencies Lincoln National.

"How Can the Agency Officer Know How Much to Pay for Business?" L. S. Morrison, Research Bureau, and E. McConney, actuary Bankers of Iowa.

"Where Have Good Agents Come from and How Did We Get Them?" H. G. Kenagy, assistant manager Research Bureau.

"Work of the Bureau in 1935—Plans for 1936."

November 12

Opening remarks by W. W. Jaeger, chairman Research Bureau executive committee, vice-president Bankers of Iowa.

"The Agent's Part in Improving the Quality of Business," Kenneth R. Miller, Research Bureau.

"Working the Planned Estates Program," W. P. Worthington, assistant superintendent of agencies Home Life of New York.

"Cooperation Between the Underwriting and Agency Departments," Jerome Clark, vice-president Union Central.

"The Effect of the Investment Situation on Agency Operations," E. A. Olson, president Mutual Trust.

Group sessions.
Meeting of signatory companies of agency practices agreement.

November 13

Opening remarks by Henry E. North, chairman executive committee Association of Life Agency Officers, second vice-president Metropolitan Life.

Report of replacement committee, Frank L. Jones, chairman, vice-president Equitable of New York.

Report of 1935 Life Insurance Week, M. A. Linton, chairman 1935 week committee, president Provident Mutual.

Plans for 1936 Life Insurance Week, S. T. Whatley, chairman 1936 week committee, vice-president Aetna Life.

Report of agency practices committee, Frank H. Davis, chairman, vice-president Penn Mutual.

"The Agency Year," John Marshall Holcombe, Jr., manager Research Bureau.

"How to Make a Presentation Stay Presented," R. C. Borden and A. C. Bussee, associate professors of New York University.

Closing Address, "The Relation of the Agency Department to the Progress of the Company," George W. Smith, president New England Mutual.

Persistency Seen as Interest Offset

Conservation Being Recognized as
Means of Overcoming Low
Interest Yield

MAY HAVE GREAT EFFECT

Estimate Raising Policy Duration Three
Years Same as 1/2% More
Return on Reserve

Attention of company executives is being markedly drawn this year to the possibilities that lie in policy conservation work for overcoming the effect of low investment yield. Virtually all the officials are convinced the future for perhaps many years offers little improvement in the rate of interest. The possibilities of increasing average yield by various investment practices have about been plumbed. Government dominance in the credit field indicates clearly that no marked improvement in interest rate can be expected.

A great deal of thought has been given to the wastage of money that results to a policyholder from lapsing his insurance, but there is a widespread misunderstanding as to the effect of lapses on legal reserve life insurance companies doing an ordinary business. Many persons in and out of the business think that lapses are profitable to the companies, but recent studies indicate that the resultant losses may be quite serious.

Younger Companies Interested

In discussing this question with company executives, the opinion was expressed that the problem of lapses may be considered in conjunction with the reduction of earnings due to fall in interest rate. This problem is receiving the careful consideration especially of many younger life insurance companies.

General experience for many years appears to set the average duration of a life insurance policy at approximately seven years. There are of course many that are maintained in force for long periods, but a substantial proportion lapse in the second and subsequent early years after issue, which serves to bring down the average to a point that has been considered for many years unnecessarily low.

If lapses could be reduced so as to increase this average duration to 10 years, the opinion has been expressed, the effect would be as great for a young or comparatively young life insurance company as an increase in rate of interest of one-half of 1 percent on the reserve. The effect in the case of older companies, it is estimated, would be less significant.

One hundred of the larger life insurance companies had an average net rate of interest in 1933 of 4.26 percent and during 1934 of 3.92 percent, a prominent executive points out. The reduction in

(CONTINUED ON PAGE 8)

Inflation in U. S. Is Well Along in Its Course, Says Expert, Citing Experience Abroad

A gloomy prospect was presented by Dr. Walter S. Landis, vice-president of the American Cyanamid Company in his address, "The Insurance Company and Inflation," delivered before the convention of casualty agents and company executives at White Sulphur Springs. Dr. Landis' observations reflected much study. He analyzed how insurance companies of all kinds, their policyholders, stockholders, and employees were affected by the French and German inflations.

He concluded, by comparing the European inflation with the situation in this country, that not only is inflation to be expected, but it is actually here and is well along in its course and true to form.

"It behooves all of us," he said, "to set our house in order if we are to protect and preserve the funds placed in our care to insure the existence of our corporations, a livelihood for our employees and a probably smaller return to our stockholders. The struggle for mere existence is going to take our every effort and many of us are going to fall by the wayside. The record of insolvency in Germany and in France during the inflation is appalling."

Sees the Ten Cent Dollar

He asserted that if the present administration is continued in power it means ultimately the 10 cent dollar. "We face a dark future for the next generation or two," he concluded.

The German life insurance companies at the time of inflation were restricted in their investments to government bonds, first mortgages limited to 50 percent of the value of the property and certain bonds comparable to the municipals in this country. They could own real estate only for use in their business. In 1913 German life companies, as a whole, had 83 percent of their investments in first mortgages, 2 percent in real estate, 4 percent in government bonds, 2 percent in miscellaneous securities and 8 percent in policy loans.

Following the armistice, mortgages and other indications of fixed indebtedness, theoretically could be paid off with a dollar bill.

New Regulations Issued

In 1923 a new regulation was issued governing life insurance and trust investments. Such institutions could hold a large proportion of real estate and they could invest up to as high as 60 percent of their premium reserve in common stocks and short term commercial paper. However, by this time, a dollar would buy several million marks and the insurance companies were unable to take advantage of the new regulations.

In the revaluation of 1923, bonds were revalued at 2½ percent of their face value and in case of government obligations there was a provision for ultimate revaluation effective about 1950 at 12½ percent.

First mortgages were originally revalued at 15 percent but the rate was later set at 25 percent.

The 1913 assets of all private life companies in Germany totaled about six billion marks. The gold mark balance sheet on Jan. 1, 1924, was only 145,000,000 marks. The companies went into reorganization, transferring their assets to a new corporation, frequently of the same name and which immediately commenced to write business on a new basis and proceeded with the liquidation of the old account. Dr. Landis estimated that the old policyholder may recover about 5 percent of the value of his policy.

The fire insurance companies were not so limited in their investments and fared slightly better, he said. In 1913 the total assets of the mutual fire insurance companies in Germany were 232,000,000

marks. At the end of 1925, their assets were only 92,000,000 marks.

The casualty companies had assets of 1,600,000,000 marks in 1913 and the first gold mark balance sheet Jan. 1, 1924, showed 785,000,000 marks. The casualty companies had turned their investments quite materially into real estate during this period, representing 16 percent of their assets in 1924, as compared with 4 percent in 1913. There was a large reduction in their holdings of mortgages and fixed interest bearing paper. Their business improved materially with the stabilization of the mark and by 1927 their assets very nearly equaled those of 1913. In 1927 they were holding twice as much real estate as in 1913 and they carried five times as much in common stock.

Opposes Legal Restrictions

Dr. Landis concluded that legal restrictions on investment portfolios during a period of extreme inflation are bound to cause enormous losses. The machinery for revising such restrictions is so slow that the portfolio may be completely wiped out or there may be little left to take advantage of the more liberal provisions of revised regulations.

In France, he recalled, the currency was ultimately revalued in 1927 and placed on a gold redemption basis. The new French franc in terms of gold was approximately one-fifth of the old one.

None of the French life companies went bankrupt. The limitation on their portfolios was more liberal than that of Germany and they could hold a large proportion of real estate. The large holdings of real estate by the French companies gave them an asset which slowly appreciated in value and by 1928 or 1929 real estate had practically reached old gold parity. The conservative companies lost more heavily than the less conservative ones. One young French life company invested in speculative foreign bonds and made a handsome showing. Its shares sold on the market in 1929 at 35 times the 1913 price, whereas gold parity would have been five times. A much larger and older

and more conservative company sold at only twice the 1913 price in 1929.

The fire insurance companies did not fare as well as most groups other than insurance, because during the period of inflation fire losses rose to an inordinate degree.

Maintaining Proper Coverage

One of the great difficulties with insurance in Germany was the maintenance of adequate coverage. In the early stages of inflation, this was attempted as far as life insurance was concerned, by the purchase of new policies. The problem of fire and surety bonds was tremendous. Then there was the problem of hedging the premiums against the gold or commodity principal. This had to be done by finding proper securities evaluated in terms of this same gold or commodity.

For one period there was an index type of insurance applying particularly to fire losses. These were designed to compensate for time of settlement, increased cost of reconstruction or replacement and other changes either of value or of money.

Actually the insurance business came very largely to a stand-still during 1923. The expense of conducting the offices continued to increase and the life companies were particularly out of luck. People finally did not even try to pay their premiums.

In France, coverage was more easily maintained by taking out additional insurance and there was a continued increase in the amount of life insurance and strangely enough in annuities.

Effect of Rent Laws

The French companies carried considerable quantities of real estate, particularly the life companies. The fixing of apartment and residence rentals was by decree, so that real income from real estate affected by the rent laws was disturbed. In consequence, values of real estate did not follow the general price level and generally lagged far behind.

The result of the investment in real estate, therefore, depended somewhat

upon the character of the property. Commercial properties, not affected by the rent laws showed greatly increased values.

The tax problem became terrific. Corporations such as insurance companies were greatly affected in France by the increased taxes since real estate bound by the rent laws could not assume a greater tax burden. The largest of the French life companies for three years in succession paid out more taxes than the total premiums received. Its administrative expenses equaled the premium for two years in succession. The theory that banks and insurance are not affected by inflation, since they merely trade dollars, is not borne out. The stockholder certainly pays his share of the cost.

Taxes Grew Rapidly

In 1913 a well established French fire insurance company collected 19,636,000 francs in premiums and paid out 1,134,000 francs for expenses, and 2,766,375 in commissions. The taxes amounted to 2,645,000. In 1925, premiums amounted to 67,000,000 francs, expenses 5,500,000 francs and taxes 15,000,000 francs. In short, taxes went up faster than anything else.

In 1932, the same company received 122,000,000 francs in premiums of which 25,000,000 were collected from the policyholders as excise tax. In addition the company paid 29,000,000 in direct taxes. In short, for 100,000,000 franc premiums actually received by the company, there was a tax of more than 30,000,000 paid by the policyholders and the company. The expenses that year were 11,500,000 francs. While net premiums over 1913 were five times the former level, the taxes were up 20 times and the administration cost 10 times. This gives a good idea of what happens to taxes when a balance must be budgeted that has been running wild for some years, he said.

In conclusion, Dr. Landis pointed out that the budget in this country has been unbalanced for some years and there is no indication it is going to be balanced in the near future. Accordingly, he said, the country can look forward to an inflationary price rise, even though the printing of green backs is postponed for some time. The mere possession of gold is not an assurance against an inflationary price rise, he continued.

Business Executive's Ideas

Pennsylvania Telephone Official in Fine Exposition of Manager's Job at Conference of Philadelphia Life Underwriters Group

The successful sales manager, among other things, must inspire confidence and enthusiasm in his men, Wilford Gillen, general sales manager Bell Telephone Company of Pennsylvania, told the managers' conference of the Philadelphia Association of Life Underwriters. He was introduced by J. A. Stevenson, home office general agent Penn Mutual Life. His talk was based on qualities of leadership and the man side of sales management.

Big Investment in Men

Manpower is the most expensive investment any company has, he said. If a salesman is getting \$200 a month, considering that 4 percent return on the investment, the company has \$60,000 invested in him. "Multiply that by 20," he said, "and you have an investment of \$1,200,000."

One trouble with sales heads, he said, is the failure of management to draw out latent ability in salesmen.

A leader must have knowledge of human nature and use it "for his people." Too many leaders are too "full of ideals." He asserted that a man afraid to show

affection is lacking in the true ability to lead.

Mr. Gillen stated his company found it a good idea to advance men money for illness, to pay off loans, etc. They pay the loans in small amounts from salary weekly. Often family difficulties keep a salesman back.

He declared a leader should inspire confidence. "Unless he believes in the boss, he won't believe in the objectives set up." The sales manager should have a plan set up and make the men realize it is worthwhile to follow it.

A leader must have unlimited energy and be able to impart the energy to others. He must have enthusiasm, the most important thing a salesman can have, and highly contagious.

A good sales manager has certain characteristics of an actor. He is able to dramatize ideas. Contests, he said, enable the supervisor to dramatize the business.

"As sales managers," Mr. Gillen said, "we have as our tools human beings. And we recognize that the biggest thing in a man's life is emotionalism. Man is moved by emotion rather than intellect."

Insurance Code Up in Illinois Special Session

SPRINGFIELD, ILL., Oct. 17. It is generally known in official circles that Governor Horner in issuing the call for a special session of the legislature will include the insurance code as one of the subjects to come up. There has been considerable doubt as to whether this would be done in view of the fact that Governor Horner desires his special welfare program to be put through without any controversial subjects interfering. The first thought was that there would be a second special session at which time the insurance code and the drivers' license bill would come up. However, the administration decided that there will be only one special call and so these two subjects will be comprised in it. The call will be for Oct. 22 or Oct. 29.

Specialization Now Is Greatly Needed

Oil Company Sales Director Makes Point in New York Association Meet

SIMPLE POLICY WORDING

Professor Greaves of Yale Addresses Sales Seminar; Membership Breaks Record at 2,000

NEW YORK, Oct. 17.—Life insurance agents should become specialists to a greater extent than at present, Frank W. Lovejoy, sales director Socony-Vacuum Oil Company, told members of the New York City Life Underwriters Association at the first fall dinner meeting. In the general field of merchandising it is realized that a man has little chance unless he specializes, he pointed out, yet few agents make it their business to know everything possible about a certain type of policy, class of buyer or type of condition for which insurance is needed. Conceding the professional status of the life underwriter, Mr. Lovejoy declared, specializing need in no way conflict with professional ideals.

Urges Simple Presentation

Stating that 70 percent of the population of the United States has an intelligence level of a child of 14 years or less and can concentrate on a given subject only two seconds at a time, he urged simplicity in sales presentations, concentrating on essentials, and forgetting details. He suggested life policies be changed so as to tell the provisions and benefits in plain, every-day language. If legal complications make this impracticable, it should be possible to attach an extra sheet to the front of the policy which would not bind the company to anything not in the contract itself but which would tell in vivid and easily understood terms just what the policy would do, he said.

Mr. Lovejoy quoted and strongly endorsed six sales maxims worked out by Professors Borden and Busse of New York University from the results of 15,000 selling interviews: (1) don't talk too much—let the prospect talk all he wants to; (2) don't interrupt, no matter what the temptation; (3) inquire first—then attack afterward; (4) don't assume a positive, argumentative manner; (5) be sure that the buyer understands that you understand his objection—repeat it for him even more forcefully than he said it; (6) stick to one key issue and don't digress.

Set Record in Membership

President Glenn B. Dorr of the New York association announced that the organization's membership is now more than 2,000, the highest in its history, for which he paid tribute to the work of Chairman A. V. Youngman of the membership committee and those who had worked with him.

Dr. Hubert Greaves, professor of public speaking at Yale University, addressed the sales seminar session in the afternoon on the importance to the agent of harmonizing his tone of voice and bodily actions, as well as spoken words, in the impression he wishes to create. Frequently, by neglect of the tone of voice and bodily attitudes, people give to the observer an impression totally different from their real personalities or from the impression they wish to make.

By description and pantomime Dr. Greaves gave a vivid portrayal of several persons whom he had met who

(CONTINUED ON PAGE 6)

Industrial Insurers Hold Forth at White Sulphur

JONES PRESIDING OFFICER

President, in Annual Address, Dwells on the Problem of Agency Selection—Attendance Is 50

By GEORGE WOHLGEMUTH

WHITE SULPHUR SPRINGS, W. VA., Oct. 17.—President P. W. Jones, secretary-treasurer of the Bankers Health & Life of Macon, Ga., opened the annual meeting of the Industrial Insurers Conference here.

Mr. Jones was reelected president, as were the other officers. G. R. Kendall, president Washington National, is vice-president, W. B. Clement, secretary of the Pilot Life, secretary.

O. E. Starnes, vice-president of the Imperial Life, becomes chairman of the executive committee. That position has been vacant since the death of C. S. Drake of Indianapolis.

Where Assured Gets Opinion

New committee members are F. F. Leith, Peoples Life of Washington, D. C.; Sumter Lowry, Gulf Life and W. R. Lathrop, Southern Life & Health. Old members are P. M. Estes, Life and Casualty; J. R. Leal, Interstate Life & Accident; E. T. Burr, Durham Life; C. A. Craig, National Life & Accident; A. B. Langley, Carolina Life, and Mr. Starnes.

The chief problems of industrial insurance are those of agency selection, underwriting and claims, and they are directly controllable from the home office, he said.

The proper basis for any insurance contract, Mr. Jones said, is that the contingency insured against, if and when

(CONTINUED ON PAGE 5)

Now Is Near Top of Life Advertisers Association



C. C. FLEMING

C. C. Fleming, who was elected vice-president of the Life Advertisers Association at the recent annual meeting in Swampscott, Mass., is editor of publications of the Life Insurance Company of Virginia. Mr. Fleming was unable to attend the meeting because of illness and he is still confined to his home where he is convalescing.

Mr. Fleming joined the Life of Virginia as an agent at Staunton, Va., in 1921. Five years later he was appointed to his present position. He is a charter member of the Life Advertisers Association, as well as an enthusiastic one, and has served on several committees and as treasurer.

Little Opposition to the Resolution

American Life Convention Satisfied with Position Taken on Ratings

LAST SESSION FEATURES

Considerable Merriment Was Evoked When Newspaper Men Were Allowed in Executive Meeting

At the annual meeting of the American Life Convention there was uncertainty in the atmosphere as to what, if any, action should be taken on company ratings. That has been a perplexing subject. Companies have been greatly embarrassed by comparative ratings. Yet there are a number of companies in the American Life Convention that have no complaint to offer as to the ratings so far as they are concerned personally. Yet some of the presidents of the so-called "A" companies have been very outspoken in their condemnation of this practice.

Difference of Opinion Seen

There was a difference of opinion as to what should be done at the A. L. C. meeting. Some advocated being militant and turning heavy artillery on raters. Others thought it would be much wiser to ignore the whole proposition. What was done was a compromise. The organization merely reiterated what had been in its mind theretofore. It endorsed the action of the Insurance Commissioners Convention at the Seattle meeting in condemning these ratings and leaving the matter up to each state commissioner to act as he saw fit. Furthermore at the meeting of the commissioners in St. Petersburg, Fla., the executive committee of the A. L. C. had a session, passed a resolution upholding the widest dissemination of comprehensive, factual information regarding companies, but condemning comparative ratings. The A. L. C. simply reaffirmed and ratified the St. Petersburg resolution. There was very little discussion on the subject at the meeting on the floor, the subject having been threshed out in the executive committee.

Majority Rules the Roost

At the final session, President J. B. Reynolds, Kansas City Life, who always closes with a sort of benediction, remarked that in this association there may be difference of opinion and members may be vociferous and pressing in their remarks, but when the majority decides to pursue a course the whole convention follows. He remarked that this is the proper way to conduct an organization of this kind.

President Reynolds was one of the founders of the American Life Convention, was its first president and has the distinction of being the only member who has served as president twice. He stated that he had never missed a meeting and he has seldom missed a session. The new president, G. S. Nollen, in introducing Mr. Reynolds to give the parting word said that while it could not be stated in truth that the American Life Convention was merely the lengthened shadow of a single man yet the shadow of J. B. Reynolds did extend beyond those of all others.

Mr. Reynolds figured again in the final session. Daniel Boone, president of the Midland Life of Kansas City, who had been elected to the executive committee two years ago, following his retirement from the presidency, was to have a

(CONTINUED ON PAGE 7)

Among the Imperatives

Courage, to combat timidity in prospect-approach; to tackle a known difficult case; to meet competition fearlessly; to insist persuasively upon the right policy or the right plan, against a policyholder's stubbornly mistaken view.

Faith, in the unexcelled character of the underwriter's own company; in the unexcelled quality of its product and its service; in the reality that at all times prospects can be found, if effectively and diligently searched for; in one's own salesmanship ability.

A Definite Purpose, in respect to amount of income desired and the volume of production that will produce it; in respect to a goal reached by stepping stones of promotion, or through profitable prestige created by underwriting broadened and made more class-inclusive by study and experience.

These three imperatives, Courage, Faith, a Definite Purpose, possessed and steadfastly maintained, will crown life with the success desired by every normal man.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Silver Jubilee

Continental Assurance
... now in its 25th year
... continues steadfastly
in growth and service
... Our Silver Jubilee
Drive has special at-
tractions for aggressive
agents with high stand-
ards. . . .



Continental
**ASSURANCE
COMPANY**
CHICAGO

Affiliated with Continental Casualty Company

U. S. Supreme Court Refuses Review of Insurance Cases

DISPOSES OF 12 ACTIONS

Reorganization Effort in Peoria Life
Blocked; Other Important Prin-
ciples Are Set Up

WASHINGTON, Oct. 17.—Selecting its calendar for the new term, the United States Supreme Court Oct. 14 disposed of more than 12 insurance suits by refusing to review decisions of lower courts.

Holding that no substantial federal question had been presented, the court dismissed appeal of the Connecticut General Life from decision of the California supreme court in its suits against the state treasurer to have gross premium tax declared invalid as violating the 14th amendment to the constitution. Other cases in which review of lower court decisions was refused were:

Other Cases Involved

Metropolitan Life vs. Rubin's Department Store, seeking review of decision of Seventh Circuit Court of Appeals confirming a composition and summarily restraining the company from taking a deficiency judgment in a foreclosure proceeding finding approximately \$352,000 due the company on a mortgage.

Arthur A. Mayers vs. Massachusetts Mutual Life, seeking review of decision of Second Circuit Court of Appeals holding that "usual insurance practice" should prevail with respect to extended term insurance rather than for such period as was held by the plaintiff to result from a "fair reading" of the policy.

Fred Matalone, et al vs. Peoria Life, et al, seeking review of decision of Seventh Circuit Court of Appeals upholding finding by trial court it did not have jurisdiction under the national bankruptcy act to entertain a petition for reorganization of an insurance company which had ceased to do business and the property of which is in the hands of receivers appointed by numerous courts.

"Due Caution" Ruling

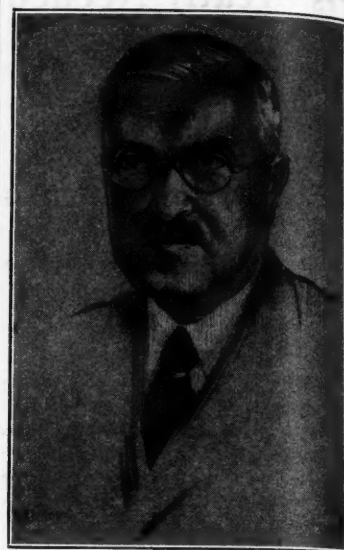
Peter Micca, sr., vs. Wisconsin National Life, seeking review of decision of Seventh Circuit Court of Appeals holding that failure of Peter Micca, Jr., to exercise due caution before driving across a railroad track where he was killed by a train relieved the company from liability under an indemnity policy.

The Peoria Life ruling blocked an effort to have the company reorganized under the new national bankruptcy act after it had been placed in the hands of a receiver for liquidation. The Peoria county circuit court Nov. 15, 1933, ruled the company might properly be liquidated and the Illinois insurance director appointed a receiver who took over the assets. Five creditors June 22, 1934, filed petition in federal district court, southern district of Illinois, asking for reorganization of the company, the petition being dismissed for want of jurisdiction. The court held the Peoria Life was not subject to the corporation reorganization provision in the amended bankruptcy act. The decision was affirmed by the Seventh Circuit Court of Appeals.

Occidental Presents New Offer for American Life

DENVER, Oct. 17.—Unexpected difficulties developed in the opening hearing on the approval of the reinsurance agreement between Wilbur Newton, receiver of American Life, and the United Benefit of Omaha. A dozen lawyers, representing six different interests, were present in Judge Symes' United States district court and the unexpected turn of events, brought about by their contentions, has entirely disrupted normal pro-

Tables Turned



JOHN J. KING

John J. King, president of the Hooper-Holmes Bureau, was the honor guest at an impromptu dinner in Chicago Tuesday evening that was arranged by Lee N. Parker, president of the American Service Bureau. It was not Mr. King's birthday or the end of any particular number of years of service. The occasion for the dinner was the fact that he was remaining in Chicago after having attended the annual meeting of the American Life Convention.

Mr. King has been host at many dinners and Mr. Parker decided to turn the tables and place Mr. King at the receiving end. About 24 gathered for the function.

Dr. Harry W. Dingman, vice-president of the Continental Assurance, presided and called upon several to express their affection for Mr. King. Among those who spoke were Mr. Parker, H. G. Royer, president Great Northern Life; Walter Webb of the Hercules Life, E. P. Kenyon, president of the United Service Bureau, the fraternal organization; Harold Gordon, secretary Health & Accident Underwriters Conference; Isaac Miller Hamilton, president of the Federal Life; F. C. Crittenden, formerly with the National Life, U. S. A., and now in the printing business; Barrett Woodsmall, executive vice-president American Service Bureau, and C. O. Pauley, secretary Great Northern Life. Mr. King responded appreciatively and told some of the stories for which he is famous. Earlier in the evening he brought down the house with his rendition of the Tammany song.

F. D. Meacham, supervisor of the Hooper-Holmes Bureau, and R. M. Ayres, Chicago manager, were present.

ceedings and has cast serious doubt as to whether the affairs of the American will be cleared up as quickly as was thought a short time ago.

A new offer of reinsurance by the Occidental of Los Angeles, which took over the Pacific States in Colorado, was thrown into the center of proceedings, and this caused considerable concern. When Newton advertised for bids, the United and Occidental were the first to make offers. Newton accepted the United contract, and has been working with the court on it, disregarding additional offers made by the Occidental. Two features of the United's offer were that policies would be taken over without liens, and that stockholders would receive \$1.50 per share.

Attorneys for the Occidental and American declared before the court that the Occidental offer is from \$30,000 to \$50,000 better than the one offered by United, but the authenticity of this claim is disputable.

Industrial Insurers Hold Forth at White Sulphur

(CONTINUED FROM PAGE 3)

occurring, would entail a financial loss to the person designated as payee. Very few of the industrial companies, he declared, investigate insurable interest and frequently the insured did not sign the application, was not present when it was written, or was ignorant that an insurance policy existed.

Many of the companies are paying spurious disability claims and are, in fact, giving unemployment insurance and old age pensions. They overlook that there are many opportunities to speculate in industrial insurance, Mr. Jones asserted.

Underwriting and claims are problems which must be solved at the home office, to a large extent. The industrial companies do not investigate applicants for industrial to any extent although a

careful investigation is made in ordinary applications for \$1,000 or more.

More than 50 were in attendance. The National Housing Act, J. E. Cruise, West Virginia manager of the Federal Housing Administration, declared, is not necessarily a political program, but was developed from a survey of the Department of Commerce undertaken in 1933. He commended the insured mortgages program for insurance company investment.

Louis Phillips, editor "American Insurer," opened the Tuesday morning session with an address, "The Service of Life Insurance."

W. B. Clement Gives Report

W. B. Clement, assistant secretary Pilot Life and secretary of the conference, gave the report of the executive committee. It was recommended that each member company secure the names of eligible companies for membership. Present advertising contracts will be continued. There will be two committee

meetings a year, the spring meeting being an open session. The Palmetto State Life was admitted to membership. President William Wallace of that company was introduced. The application of the Suwanee Life was continued.

Health and accident insurance benefits should not be more than the insured's earnings and expenses, W. C. Turpin, Jr., general counsel Bankers Health & Life, asserted. He defined "indemnity" as making good a loss, which is the buttress of insurance. The Supreme Court has held life companies issue contracts of indemnity. The companies owe the public the duty of sending them honest and well informed agents.

The problem of present day investments was discussed by F. J. Travers, financial secretary Lincoln National Life. He said the problem resolved itself into whether to buy long or short term bonds, what quality bonds and what general class of bonds. Generally, he said, it would probably be wiser to purchase

short term securities, as the loss in interest would not be as great if there is an upward trend in business.

The factor, times interest earned by utilities, is not so important as whether there is a 20 percent remainder of earnings after all interest and fixed charges are paid, Mr. Travers said. Government bonds are genuinely attractive in this market. If business revives, medium grade bonds will be more stable in price than the better class bonds because they pay a higher rate of interest. Certain railroad bonds are good investments and bonds of electric operating companies are attractive to some extent. There are few strong industrial companies with stable earnings. However, he suggested that some industrial debentures and preferred stocks which are not callable would be good investments.

A report of the law committee on federal legislation, particularly the social security act, was given by P. M. Estes, general counsel Life & Casualty of Tennessee, its chairman. "Some Pollyannas

NOW IS THE TIME FOR ACTION

Now is the time for all underwriters to put troubles behind

them and action in front of them. We are going forward, probably in one

of the most interesting periods of the world. We are privileged to be

alive today and in a position to observe all that is happening.

Every life underwriter who enters the field of action in this

spirit will be a winner.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

proclaim that the payment of these monthly benefits will be so educative that it will prove a great boon to insurance. But surely there are less costly methods of education," Mr. Estes declared. He said the act would probably apply to all industrial agents but not to those agents who write ordinary exclusively.

Resolutions were read in memory of the three members who died, they being T. H. Matthews, vice-president Kentucky Central Life & Accident, who died Monday at the age of 57; W. R. Lathrop, secretary Southern Life & Health, and C. S. Drake, president Empire Life & Accident.

The banquet was held Tuesday night.

Raymund Daniel, "Insurance Field," presented golf cups at the banquet to H. B. Belvin, Home Security, low gross; W. N. Culp, Southern Life & Health, low net; G. R. Kendall, Washington National, second low net; M. E. Archer, Empire Life & Accident, third low net.

The Wednesday session was given

over to round table discussions and committee reports.

Discussion was heard favoring elimination of double indemnity clause in industrial policies or charging of extra premium because of bad experience, particularly because of large number automobile accidents. Roll call was read to determine company practices. Many of the companies now charge no additional premium when included in standard policies. On sub-standard business, the clause is usually limited. A few companies do not have double indemnity clauses.

A committee will be appointed by the president to take up the advisability of eliminating the double indemnity clause and revising insurable interest policy provisions.

B. L. Tatman, Reliable Life & Accident, chairman good of the conference committee, recommended that member companies avail themselves of Commerce Clearing House reports, which was approved. He recommended the

revision of the insurable interest policy provisions and the foundation of a legal section of the conference, the latter to deal with legislation.

J. R. Leal, Interstate Life & Accident, reporting for the advertising committee, said present advertising would be continued.

G. N. Strong, Industrial Life & Health, gave the report of the auditing committee. The discussion on mechanical writing of policies was read by N. T. Weaver, Bankers Health & Life. The value of house organ or agency bulletin was considered. Copies of the statistical report were distributed.

Linton in Talk to Chamber of Commerce on Social Acts

(CONTINUED FROM PAGE 1)

set up their plans under the act, and after the federal act is found unconstitutional some of the state plans will stick. The federal acts providing for old age cover two phases. One is the contributory plan, by which the right to benefits is built up by contributions of employer and employee. The other is the old age assistance plan, which applies only to the needy and calls for payment of half the benefit by the federal government and half by the state.

The contributory plan will apply to about 25,000,000 workers. There is no bottom limit, the employer with one employee being required to pay the tax for himself, and to deduct the employee's tax from the payroll. The tax starts at 1 percent from each, or a total of 2 percent on the payroll, from 1937 to 1939 and rises at three year intervals to 6 percent, or 3 percent each, in 1949 and thereafter. The taxes apply to earnings up to \$3,000 a year but to nothing above that figure.

The pension is to commence at age 65 provided the worker is not then regularly employed. It increases with the years of employment following the inauguration of the system. Mr. Linton used the same tables for illustration of the effects as he did in his talk before the American Life Convention, quoted in last week's issue.

Hazards in Enormous Reserve

The plan will result in an enormous reserve fund, running up to \$47,000,000,000. Mr. Linton referred to the tendency of Congress to spend money that is in sight and considers the plan dangerous. He seemed to favor the British plan, which gets in touch with reality at the start by paying benefits to all those in the beneficiary class, without vague promises for the future that can hardly be fulfilled.

The old age pension plan was devised in a few months, when a year or more should have been allowed for study and preparation. Mr. Linton apparently believes that the measure adopted will have to be changed in important respects, and he urged business men to give it the consideration which it merits considering their financial interest in the matter.

Old Age Assistance Plan

The old age assistance plan does not carry a special tax. The cost will come out of the general funds of the federal government and of the states. It is copied somewhat after the Canadian plan, which has been operating in several provinces, in cooperation with the Dominion government for about six years.

A striking feature of the American plan is that the benefits in the next few years will be much larger under the old age assistance plan than under the contributory plan. It is true the benefits are not yet fixed, but quite a few states are now allowing \$1 a day, or \$30 a month, and inasmuch as the federal government will contribute half the cost, it seems that the states will probably continue their benefits, so that the federal contribution of an equal amount will raise the figure to \$60 a month. Very few pensioners under the contributory plan will get as much.

Boondoggling Movement Hits Insurance Business

PLANS FOR CENSUS ARE MADE

Some 30,000 Enumerators Are to Quiz Every Company, Agent and Broker in the Country

Insurance people are interested in the "boondoggling" plan of the federal government to conduct a census of insurance business with funds from the \$4,000,000,000 relief appropriation.

F. A. Gosnell of the federal census bureau called a conference of insurance leaders in Philadelphia where the plans were discussed. Among those on hand were J. A. Beha, general manager National Bureau of Casualty & Surety Underwriters; W. E. Mallalieu, general manager National Board; Paul L. Haid, president Insurance Executives Association; Henry Swift Ives, Association of Casualty & Surety Executives; A. C. Charles, Inland Marine Underwriters Association; H. G. Kenagy, Life Insurance Sales Research Bureau; R. B. Crane, Life Presidents Association; J. B. Miller, National Association of Insurance Agents; F. A. Norton, Connecticut insurance department; V. Howell, Prudential; F. A. Eager, North America; J. Ray Donahue, U. S. F. & G.; J. S. Thompson, Mutual Benefit Life; A. M. Royal, Travelers; H. R. Bassford, Metropolitan; R. M. Conn, Grain Dealers National Mutual Fire; F. K. Connelly, Provident Mutual Life; John Glendenning, Home of New York.

Much Expense Involved

The companies are not altogether delighted with the prospect since the business of getting up the information for the census takers will be expensive.

The census will cover the year 1935 and will be started shortly after Jan. 1. It will undertake to ascertain employment and payroll data, including breakdown of full time and part time employees separated into executives, office and clerical help, selling help and other employees. The survey will list total number of employees in their various classifications and total salary paid. There will be a monthly breakdown between full time and part time employees and there will be statistics on the number of male, female and Negro employees. It will cover operating expenses and premium income of the companies. Brokers and agents will be asked to give employment and payroll data, gross commissions from insurance sales and receipts from other sources.

Some 30,000 census takers will be hired. They will be taken from the relief rolls. The work is expected to require about three months and will be in charge of A. W. Coombs and F. A. Gosnell.

Specialization Now Is Greatly Needed

(CONTINUED FROM PAGE 3)

unknowingly gave impressions at variance with their personalities and with their own best interests. Somewhere in the course of their education these people could well have afforded to neglect some phase of it and devote the time to learning how to harmonize their actions, tone, and words.

Talks by seven members of the New York association at the sales seminar were reported in last week's issue of THE NATIONAL UNDERWRITER.

C. E. Scott, Field Aid, Dies

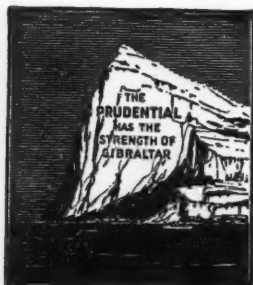
Charles E. Scott, field assistant in South Dakota for the Equitable Life of New York, died at Belle Forche, S. D., after an illness of two days. His headquarters were at Rapid City and he had been with the Equitable 10 years.

The Weasel Word—"Wait"

Theodore Roosevelt thus characterized words without force or purpose, and W-A-I-T surely belongs in that category.

When a Prospect decides to "wait" to acquire protection he might be excused on the grounds of lack of realization of its importance.

But when a Life Insurance Salesman says "I'll wait to see that prospect" he knows the danger of such delay and is unfair to both the Prospect and himself.



The Prudential Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

Little Opposition to the Resolution

(CONTINUED FROM PAGE 3)

successor on the committee. Kansas City is always on the job. Therefore President Reynolds, high mogul of the Kansas City executives, nominated W. T. Grant, president of the Business Men's Assurance of Kansas City, to succeed Mr. Boone. In paying tribute to Mr. Grant for his many excellent qualities of mind and heart, Mr. Reynolds said that he had in his nature a hundred minor frailties that made him intensely human.

Much Merriment at Final Session

There was much merriment in parts of the final session, starting with the motion to allow the members of the press to be invited to the executive session. This led to some of the humorists arising to impose conditions on the newspaper men. From that time on there were many witty skirmishes and much airy persiflage bandied back and forth.

At the closing time of the session, when the new president, Gerard S. Nollen, had taken his seat and presented, as is the custom, a silver mounted gavel to the retiring president and spoke with such acclaim of Herbert K. Lindsley, president of the Farmers & Bankers Life, who was passing out of the high office in the A. L. C. and when all the membership arose in tribute to Mr. Lindsley, the latter was so moved emotionally that he could hardly speak. In fact, all he did was to briefly express his appreciation as his voice choked. President Nollen remarked at once, "You will agree with me that although that was a very brief talk, it was most eloquent."

Colonel Robbins, who was reading the reports of a number of the committees, reached that of the committee on blanks and stated that the chairman, George Graham of the Central States Life, was in poor voice and therefore

could not read the report. Colonel Robbins started to read it and Mr. Graham immediately hastened up from the audience, mounted the rostrum and did the reading himself. He thus sustained his reputation.

The decision to have the annual meeting at Dallas next year, when the Texas centennial activities are on, is in tribute to the Texas companies that have supported the convention in a most faithful and energetic way. Harry L. Seay of the Southland Life is chairman of the committee on time and place of meeting. Mr. Seay therefore engendered enough favorable sentiment to have the meeting next year in Dallas. Many companies, however, favor the permanent meeting place at Chicago in view of the fact that it is central and with so many sections there is a desire of numerous offices to have a number of men attend the meetings. Therefore the expense has grown. On state occasions like next year, the rule probably will be broken.

Amen Corner Is Lauded

At the meeting of the Agency Section over which Vice-president S. T. Whitley of the Aetna Life presided there were a number of agency generals grouped in the front seats. Mr. Whitley referred to them as his "special friends in the amen corner."

There was much chiding W. T. Grant, president of the Business Men's Assurance, who was slated for a place on the executive committee, to the effect that as a candidate for office he was taking himself too seriously and had not done enough for the "voters." This resulted in Mr. Grant inviting a number of influential members to breakfast the morning of the voting day.

Colonel Robbins read all the memorial resolutions with three exceptions.

President T. A. Phillips of the Minnesota Mutual presented the memoir for Dr. C. N. McCloud, vice-president and medical director. Assistant Counsel E. M. Thore, Acacia Mutual, read the resolution in behalf of Vice-president J. P. Vort of that company. Agency Executive J. F. Maine of the London Life of Canada read the resolutions for J. Stanley Lovell, assistant general manager and executive secretary.

Sixtieth Anniversary of Prudential Is Celebrated

NEWARK, Oct. 17.—A record number of guests attended the Prudential's buffet luncheon celebrating the company's 60th anniversary, at which President Duffield and other executives welcomed leaders in the business, clerical, professional and political life of northern New Jersey. Nearly 500 persons were present.

Life company guests included President J. R. Hardin, Vice-Presidents E. E. Rhodes and J. S. Thompson, Treasurer M. W. Wilder, Jr., Secretary H. H. Allen, Medical Director W. R. Ward and Counsel E. O. Stanley, Jr., of the Mutual Benefit Life, President E. J. Heppenhimer and Vice-President C. F. Nettleship of the Colonial Life of Jersey City.

G. A. Adsit Holds Conference

George A. Adsit, manager of agencies of the Girard Life, held a conference in Chicago this week with general agents from several cities in northern Illinois. Mr. Adsit remained in Chicago for the conference after attending the meeting of the American Life Convention.

Bank Insurance Makes Cut

The reserve basis for Massachusetts saving bank life insurance is being reduced from 3½ to 3 percent effective Nov. 1. However, loadings are to be reduced so that the gross premium will actually be lower.

Mail Order Insurance and Company Rating Reviewed

BOWEN OUTLINES POSITION

Ohioan Opposes Ban on Rating Agencies and Going to Congress on Non-admitted Carriers

Mail order insurance and rating of companies were discussed by Superintendent R. L. Bowen of Ohio in his talk at the sales congress conducted by the Cleveland Accident & Health Association.

On the subject of mail order coverage and its attendant evils, he said there have been many complaints to his department because people in Ohio have had to take what settlements were given them by such carriers without recourse in the state. He explained that there are some companies operating in other states under a non-profit statute and the insurance departments have no power over them.

"I believe," said Mr. Bowen, "that Ohio is 100 percent free of this evil, and there are no Ohio companies doing business across the borders of other states unauthorized. We are doing all we can to stamp out the evil of irresponsible companies and believe each state should try to correct its own evils instead of submitting them to Congress. But, unless commissioners have greater control over the solvency of companies, the job may be taken to Washington. In the last five years, 35 life companies have failed. How long can that go on without control going into federal hands?"

He said that the use of rating services came up at the Seattle convention of the Insurance Commissioners Convention and the committee brought in a report unfavorable to the use of such agencies. There was much disagree-

JULIAN PRICE and MERCHANDISING IDEA NUMBER ELEVEN

November is the birthmonth of President Price. Following a long established custom Jefferson Standard field men and women will present to him as a birthday gift, the outstanding production month of the year.

President Price personally selected the plan of life insurance which will be presented to the public during his birthmonth. The plan has been given the name "President's Special" by the Agency Department.

"The President's Special" pays a lump sum at death and a guaranteed monthly income for a selected number of years. It is *merchandised* in a way that will bring quick and effective sales when presented to prospects.

WATCH NOVEMBER!

A. R. PERKINS, Agency Manager



Jefferson Standard Life Insurance Company

JULIAN PRICE, President
GREENSBORO, NORTH CAROLINA

ment with that report however, he declared. Mr. Bowen stated that the Ohio department is in favor of giving the public all the factual information available and that it is not in favor of prohibiting rating reports.

Trend Is Noted to Par Annuities

(CONTINUED FROM PAGE 1)

this plan has a stronger appeal to the public than one which anticipates under correspondingly reasonable assumptions a decreasing scale of dividends, since any downward fluctuations in future experience would affect the income less under the former plan than under the latter.

While the idea of participating annuities, because of present uncertain interest and annuity mortality rates, makes its most emphatic appeal to the companies, yet it is believed that it will also appeal to most annuity buyers when it is pointed out to them that under such a plan they will be purchasing an annuity on an actual cost basis.

Persistency Seen as Interest Offset

(CONTINUED FROM PAGE 1)

rate of interest in consecutive years is without precedent in the business. There are few companies that have not suffered from a drop in their rate of interest earned.

The problem that confronts them is of balancing the income from premiums and interest against the disbursements and the necessary increase from year to year in the statutory reserves required for the orderly maturity of the policy obligations. This problem is being attacked both from the point of view of increasing income by way of rates, and reduction of dividends on participating policies. It is being attacked also from the point of view of diminishing disbursements by guaranteeing lower cash surrender values in new series of policies.

Discussed at Chicago Meet

The problem involved is dealt with at some length in the recent address of V. R. Smith, vice-president and actuary Confederation Life of Toronto, before the annual meeting of the American Life Convention in Chicago.

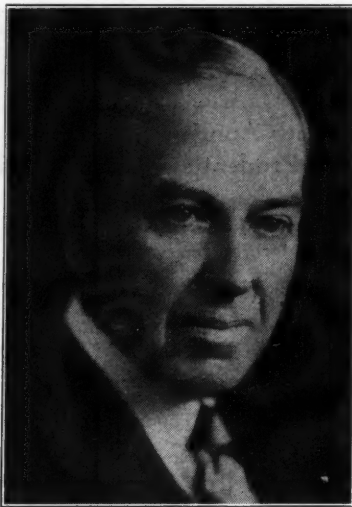
To the extent that lapses can be reduced they will decrease the burden thrown upon the earnings of life insurance companies. Some company officials are optimistic that the development of a more persistent business may go far in contributing to the solution of the problems thrust on life insurance companies because of the necessity of operating with a diminished interest rate upon the invested funds.

The reductions in cash surrender values that have been made by so many companies probably will result in life insurance agents placing less sales emphasis on withdrawal values and featuring in their solicitation the protection of the life insurance, which, as is being strongly emphasized by many leaders in the agency and company ranks today, is the primary purpose of life insurance.

It is possible that in the past agents have placed too much emphasis on cash surrender values and the lessening of this emphasis should in turn contribute to a more persistent business.

Some executives in considering this whole problem have laid greater stress on premium rates than on cash surrender values, but other officials have laid most emphasis on the reduction of cash surrender values. The latter group of executives probably has been influenced by an agency point of view that a reduction in cash surrender values would have little effect on the sale of life insurance policies but that an increase in premium rates would result in loss of agency morale and possibly would increase agency turnover.

Financial Section Man Hails from Kansas City



JOHN E. McPHERSON, Kansas City, Mo.

John Edward McPherson of Kansas City, Mo., treasurer of the Business Men's Assurance, who becomes secretary of the Financial Section of the American Life Convention, is a graduate of the University of Kansas of the class of 1898. He is a Phi Beta Kappa. He graduated from the Kansas City School of Law in 1905. He is a trustee and secretary of the Liberty Memorial Association. He served as executive secretary for the John A. Prescott & Co., investment bankers, from 1899 to 1913. He then was secretary of the Maxwell Investment Company, farm mortgage bankers, leaving in 1924. He was secretary and trust officer of the Guaranty Trust Company of Kansas City for five years. In 1924 he went with the R. B. Jones & Sons Insurance Agency at Kansas City, which is also manager of the Kansas City Fire & Marine. In 1926 he went with the Business Men's Assurance as controller and in 1931 was made treasurer. He therefore has a most excellent financial background which will make him of great value to the Financial Section.

The Business Men's Assurance head office has several other University of Kansas men connected with it. Vice-President J. H. Torrance, who is first president of the Health & Accident Underwriters Conference, is a graduate. President W. T. Grant was a student at the university.

The Altus Life & Accident of Tulsa, formerly of Altus, Okla., has changed its name to the Peerless Life.

GROUP INSURANCE DISCUSSION

At the conference on group insurance at the American Life Convention meeting, there was much discussion on the practice of some companies guaranteeing a group rate for five years. Some companies will only write at the term rate for one year and will not go beyond that. There seems to be a competitive advantage in guaranteeing a five-year rate especially among some of the companies that are building up their group business. It was acknowledged in the discussion that now and then companies that adhere as religiously as possible to the one-year rate will make a guarantee of five years under stress.

No Guarantee in South

One member stated that while his company would occasionally make a five-year guarantee on groups where the standard rate is used and where all conditions are favorable, no such guarantee would be made in the south. He said that his company adopted no general rule but took up each group on its

Plan Lecture Series to Aid Brokers on Life Insurance

Chairman W. C. Verplanck (Myrick agency, Mutual Life of New York) of the New York City Life Underwriters' Association's newly created committee on cooperation with brokers and his committee were hosts at luncheon this week to representatives of Greater New York brokers' organizations whose membership totals about 1,500.

The committee is endeavoring to arrange a series of educational lectures to be sponsored by the life underwriters' association, to aid brokers in the writing of life business. The plan is to make the lectures on subjects which tie in naturally with the general insurance business, for example, business insurance, prospecting, and programming or auditing. The broker is in an excellent position to sell business insurance. Prospecting and programming are important in general insurance as well as in life insurance. Associations represented at the luncheon and those representing them included the Insurance Brokers' Association, B. M. Harris; General Brokers' Association, S. N. Schwartz; Independent Brokers Association, S. D. Rosen; Brooklyn Insurance Brokers Association, H. B. Stern; Bronx Insurance Men's Association, Thomas Buckley; Life Supervisors' Association, Jerome Siegel.

The Brooklyn Brokers Association and the Independent Brokers' Association endorsed the plan for the series of lectures. Representatives of the other associations will take up the matter with their executive committees.

Explains Ohio License Law

CLEVELAND, Oct. 17.—At the dinner given in honor of Superintendent R. L. Bowen, of Ohio, following the Cleveland Accident & Health Sales Congress, Mr. Bowen spoke briefly on the new licensing law and the examination of agents and Raymond Rhoads, assistant to Mr. Bowen, who has charge of the examinations and licensing, explained the procedure in more detail. This was followed by a two-hour open forum, in which he answered many questions covering every phase of the subject. Since the Ohio department is now working on a new licensing act for life men, they were especially interested.

Reinmund Life Manager

F. M. Reinmund has been appointed manager of the life department of the John A. Eckert & Co. brokerage organization of New York. He was formerly connected with the Mowry & Reinmund general agency of the Aetna Life in New York. This firm was headed by his father, B. F. Reinmund, and his uncle, L. D. Mowry. He succeeds D. M. Findlay.

C.L.U. NEWS

KORBEL MILWAUKEE PRESIDENT

Alfred Korbel, Massachusetts Mutual Life, has been elected president of the Milwaukee C. L. U. chapter. T. W. Tuttle, Northwestern Mutual Life, is vice-president and Laflin Jones, Northwestern Mutual, secretary-treasurer.

CHICAGO CHAPTER IN SESSION

Ten C. L. U. graduates received diplomas at a dinner meeting of the Chicago chapter of C. L. U. this week presided over by President Frederick Bruchholz, agency director New York Life. Mr. Bruchholz presented the ten C. L. U. people. L. M. Buckley, vice-president Chicago chapter, gave echoes from the Des Moines convention of the National Association of Life Underwriters, and A. J. Johannsen, chairman education committee, told of the C. L. U. educational and prospecting program. There are now 91 C. L. U. degree holders in Chicago.

LINFORD SAN FRANCISCO HEAD

C. H. Linford, assistant manager Travelers, has been elected president San Francisco C. L. U. Ted Dreyer, manager Pacific Mutual at Oakland, is vice-president; G. F. McKenna, Penn Mutual, secretary; J. O. Klein, Metropolitan at Burlingame, treasurer. Board of directors consists of M. L. Fairchild, Connecticut General; N. F. Davis, Jr., Guardian, and N. J. Goldsmith, Equitable.

KANSAS CITY CHAPTER ELECTS

O. J. Neibel, Penn Mutual, is elected president of the Kansas City C. L. U. chapter. W. G. Nathan, Mutual Benefit, was elected vice-president and Ernest Gray of the Kansas City Life, secretary.

The John Hancock Mutual Life has moved its general Minneapolis office to 125 South Seventh street. Lloyd J. Lynch is general agent.

L.O.M.A. Officer



RICHARD BOISSARD

Richard Boissard, who was elected first vice-president of the Life Office Management Association at the recent annual meeting in Cincinnati, is vice-president and actuary of the National Guardian Life of Madison, Wis. He graduated from the university with the degree of electrical engineer in 1913 and followed that profession, except while he was in the army, until 1921, when he joined the National Guardian Life. He has successively held the title of assistant secretary, secretary and now vice-president and actuary. He is the son of George A. Boissard, president of that company.

Daniel Wants Restrictions on the New Organizations

TEXAS COMMISSIONER'S VIEW

Tells Governor He Favors More Stringent Regulations Governing Promotions, Tightening Investment Laws

Commissioner Daniel of Texas, in his annual report to the governor for the fiscal year ending Aug. 31, recommends legislation making more stringent the regulations governing organization of companies. A more substantial capital stock and an adequate reserve should be required of new institutions.

He recommends a law prohibiting a company from investing more than 5 percent of its assets in a home office building or loaning more than a reasonable percentage to any one person, firm or corporation or investing same in any one project.

The law permitting a life company to buy and own a home office building on leased premises should be repealed.

The law governing organization and operation of mutual assessment companies should be made more stringent and a higher degree of solvency required. All policies and rates should be approved by the department and rates should be adequate to guarantee payment of losses.

Mentions Tax Ferrets

Texas has been employing the firm of Merkle & Martin of New York, the tax ferrets, to examine the companies in an attempt to get taxes which Texas claims are due the state. Mr. Daniel said that this work has been suspended since April of this year. Between February, 1933, and April of this year, the state had collected \$256,400 in delinquent taxes.

He said there is a continued and marked improvement in the financial condition of all companies during the year. There are now 805 insurance organizations under the supervision of the Texas department. Of these 295 are Texas organizations.

The 39 Texas legal reserve life companies have assets of \$193,559,579, capital \$11,619,950, net surplus \$14,275,775; insurance in force \$1,111,584,737 and net reserve \$150,528,713. They paid losses last year of \$12,125,123.

Likes Retaliatory Law

Mr. Daniel expressed gratification that the last legislature passed a retaliatory law.

The state-wide mutual assessment concerns, which were organized under an act passed a couple of years ago have increased their membership greatly this year. They have a total membership of 60,408 at the end of the year. They received from members \$1,343,952 in 1934 and paid losses of \$555,446.

Due to legislation passed by the last legislature, a large number of burial associations have sought to qualify under the local mutual aid law. There are now 108 local mutual aid associations in the state. They collected \$1,670,232 from members in 1934.

New Law Beneficial

Mr. Daniel said the recent law providing for licensing of life, health and accident agents has had a salutary effect. Investigators have filed a number of complaints against agents and a number of cases are under investigation. With the enforcement of this law should come greater protection against unlicensed and unscrupulous agents and against twisting.

"We believe," Mr. Daniel said, "that this will also have a tendency to prevent misrepresentation of companies by the use of so-called statistics from unauthorized and unlicensed rating bureaus published yearly for the purpose of being shown to the public with the view of realizing as much financial return therefrom as possible and not with the purpose of rendering the public a real

service and giving the public any information that they cannot get from the department simply by asking for it."

Discuss Tax Encroachments

At the first fall meeting of the Boston Life Insurance Trust Council, F. W. Ganse, a recognized authority on life insurance taxation, and H. H. Andrews of the Old Colony Trust Company discussed the new revenue bill, indicating the tendency of the government to encroach through taxation more and more on the proceeds of life policies. About 100 reservations were made for the dinner, indicating the interest in this subject.

Insurable Interest Question

Judge Hoffman at Cincinnati has ruled that a fiancée has an insurable interest in her intended husband. He sustained Miss Henriett Behr, who sued the city retirement trustees for \$1,291 on the life of C. E. Blankenhuler, who shot and killed himself, Feb. 14. He had named Miss Behr as his beneficiary, but the trustees rejected her claim as without insurable interest.

Pacific Mutual Life Resigns

The Pacific Mutual Life has resigned from the International Association of Casualty & Surety Executives.

Production in September Shows Gain of 4 Percent

NEW YORK, Oct. 17.—New life insurance production for September showed a gain of 4 percent over September, 1934, while for the first nine months the gain was 3.3 percent, according to the Life Presidents Association.

In September total new business of all classes written by the 42 reporting companies was \$573,481,000 against \$551,556,000 in September, 1934, increase 4 percent; new ordinary, \$360,936,000 against \$359,534,000, increase 0.4 of 1 percent; industrial, \$190,044,000 against \$170,935,000, increase 11.2 percent; group, \$22,501,000 against \$21,087,000, increase 6.7 percent.

Volume in Increase

For the first nine months the total new business was \$6,605,344,000 against \$6,395,381,000, increase 3.3 percent; new ordinary, \$4,191,115,000 against \$4,168,626,000, increase of 0.5 of 1 percent; industrial, \$1,892,012,000 against \$1,865,454,000, increase 1.4 percent; group, \$522,217,000 against \$361,301,000, increase 44.5 per cent.

The total new paid-for business for each of the first nine months of 1934 and

1935, and percentage increases or decreases, are shown in the following table:

	1934	1935	%
Jan. ..	\$ 665,457,000	\$ 824,903,000	24.0%
Feb. ..	648,073,000	719,598,000	11.0
March..	787,628,000	768,491,000	-2.4
April ..	794,495,000	733,870,000	-7.6
May ..	791,544,000	732,188,000	-7.5
June ..	762,490,000	697,471,000	-8.5
July ..	694,259,000	904,149,000	30.2
Aug. ..	699,879,000	851,193,000	-7.0
Sept. ..	551,556,000	573,481,000	4.0
	\$6,395,381,000	\$6,605,344,000	3.3%

Appeals Spurgin Decision

DENVER, Oct. 17.—The U. S. tenth circuit court of appeals has been asked to decide whether W. C. Spurgin, absconding Chicago banker, is dead or alive and whether his daughter, as beneficiary, should receive payment on a \$25,000 policy written on Spurgin by the Penn Mutual Life. A U. S. district court jury in Denver recently held that the banker, who absconded in 1921 with more than \$500,000 from a Chicago bank, is legally dead, but the insurance company attorneys declare they have proof he has been seen alive as recently as 1930.

Spurgin's daughter claims he was murdered by followers of Pancho Villa, after he fled to Mexico. Several have testified that he was a close friend of Villa, and testimony has also been introduced to establish his burial place in the Sierra Madre mountains.

MINNESOTA MUTUAL'S

New ordinary business in August was
27.7% over August, 1934.

Reasons—

- § A Liberal General Agency Contract—
- § A Financing Plan for the Agency—
- § A Plan for Financing your men—
- § Unique Sales Helps—
- § A Policy for every purpose—
juvenile, women, group, wholesale, etc.
- § A tested Organized Selling Plan
- § A detailed plan for finding—training men
- § A unique supervisory system
- § Accounting methods for your office that tell you just
where you're heading
- § An understanding, cooperative, sympathetic Home
Office
- § An old substantial, Mutual Company—over 50 years
—Not too big to know you—

Big enough to command respect anywhere

Interested?

Then ask for our FACTS booklet!

HAROLD J. CUMMINGS, Vice President

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

SAINT PAUL, MINNESOTA

EDITORIAL COMMENT

May Revolutionize Construction

AT SOME of the sessions of the annual meeting of the AMERICAN LIFE CONVENTION, company officials that are interested in mortgages on city homes were concerned in the prediction by some of the experts that in due season prefabricated houses would supplant the present methods of construction because the cost would be much less. For instance, if it were possible to erect a house that at the present time would cost \$8,000 for a price ranging from \$3,000 to \$5,000 it would overturn building construction methods and present

values would be greatly affected all along the line.

The research work that is being done at PURDUE UNIVERSITY along this line is of interest. This college through its housing research department has had 10 architects of eminent character each put up a house showing what can be done to reduce building costs. Careful planning and a number of other factors combined have all been brought into play. This is a subject that is gripping the attention of mortgage loan departments.

No Trick Plans in Real Production

EVERY agency manager is endeavoring to stimulate production and stir his men up to greater effort. This has been true particularly during the last few years when business has been hard to get. Various schemes have been resorted to and many plans evolved and tried out. FRANK H. DAVIS, vice-president of the PENN MUTUAL LIFE, in his recent address before the AMERICAN LIFE CONVENTION, declared there is no special trick or device that will bring in business of a desirable character.

He said that during these troubled times the agencies and companies that have shown progress in their production have kept very closely to the beaten path and

have solved the problem largely by getting into their organization agents of quality and enterprise. It is not the number of agents that are soliciting for a company that have proved successful from a production standpoint but rather the intelligent, conscientious effort of substantial salesmen that has been put forth to get business. The agency department that has stimulated its people to a point where they desire to accomplish certain ends has usually counted the results on the right side because when a person really seeks an objective that is within his reach he ordinarily gets it. The slogan, "Plan your work, then work your plan," still applies.

Background Knowledge Important

SOME life agents feel that the vast amount of information contained in the talks presented at such meetings as the AMERICAN LIFE CONVENTION last week, are of little interest to them. The agents feel that their reading should be restricted to new sales methods and suggestions. However, an agent should secure knowledge not merely to repeat it to his policyholders, but to enlarge his background and give strength and courage to his convictions.

Among the splendid papers presented at the AMERICAN LIFE CONVENTION was one on the important subject of investment interest returns presented by V. R. SMITH, general manager and actuary of the CON-

FEDERATION LIFE OF CANADA. Although this subject is decidedly a problem of management, the review of the many facts and trends which are considered in investment management questions by company executives, gives the agents an idea of the service being rendered policyholders and the impossibility of an individual handling his own investments in so thorough and analytical a manner. We feel it is well worth time to study these articles on investment and their selection because they demonstrate the marked superiority of the corporate investor over the individual investor. That point might well be stressed.

Progress in Management

ONE of the many fine features of the Industrial Section meeting of the American Life Convention was the fact and figure talk by PRESIDENT C. F. WILLIAMS, the WESTERN & SOUTHERN LIFE. Talking extemporaneously Mr. WILLIAMS frankly discussed his company's experience in rebuilding its field force in the last five years. Faced with demoralization of the field force in common with all companies, MR. WILLIAMS told how the company offi-

cials had considered the problems facing them, and decided that the only way to make progress was to increase production. Many of the men who had been good producers in the easy 1920's were falling by the wayside so the field force was completely rejuvenated by weeding out the non-producers and by increasing the compensation of the producers.

The principle of getting adequate volume of adequate quality at adequate cost was

adopted. It was found that if progress was to be made that every man in every district must show an increase. Hangers-on were tolerated no longer. Nothing takes the place of money in building up a field force, declared MR. WILLIAMS, and that principle was developed until satisfactory production resulted. In order to eliminate the worry of meeting every day expenses the agency contract was revised to provide for a special salary reserve which guaranteed a level income.

Recruiting and training were studied carefully and the turnover in agents was reduced to a minimum. The man with larger volume of business, both in industrial and ordinary, was given a greater per-

centage of compensation than the man with a smaller volume. In studying the territory to consolidate debits where it seemed advisable, every field was mapped out and the possibilities from a life insurance standpoint carefully scrutinized.

This taking the bull by the horns and remedying the situation with sound principles is commendable and points the way to others. Steps in this direction required a certain amount of turning away from the past and will affect the welfare of some that have been going along with the tide. The idea of facing facts that is so characteristic of the actuarial and underwriting departments should not only be adopted by the agency division but acted upon.

Much Interested in Security

IN A TALK before the casualty convention at White Sulphur Springs, Superintendent PINK of New York did not mince matters when he said that the threat of federal legislation and the growth of state insurance are real. It is more than an academic question. It is one that has permeated the mind of the public. Therefore insurance men should not sit back idly and complacently and take it for granted that nothing will occur.

Superintendent PINK very wisely said

that this menace can be met effectively by wise and honorable company management and by efficient and coordinated state supervision. Much depends on competent and uniform supervision by the states. Then there must be cooperation on part of companies seeing to it that the public is made safe. People are much interested today in security. If they feel that the present insurance system will furnish security, they are for it. They must be shown that it will.

PERSONAL SIDE OF BUSINESS

E. L. Buchanan of San Francisco, representing the State Life of Indiana, closed September with an average of better than an application per day for the past five months, Sundays and holidays included. He wrote 38 applications in September and led the State Life's Class B producers throughout the United States. He has set his mark at an app-a-day average, month by month, for an entire year.

The salesmen and office staff of the Spokane (Wash.) agency of the Mutual Life of New York honored the 26th anniversary of Manager Percy L. Cochran's association with the company at a dinner and dance this week. Fred Ashley, agency organizer, presided and announced that the agency had just completed the third biggest month in its history.

H. S. Don Carlos, manager of the life and accident claim department of the Travelers, has again been appointed head of the insurance section of the Hartford Community Chest campaign. He will be in charge of solicitation in all insurance companies, through key men and company organizations.

C. E. Leavitt of the policy loan division of the Travelers has just published a book, "Friend to Friend," which contains about 40 poems he has written in the past two years. Prof. H. N. Hart of the Hartford Seminary Foundation has written an introduction.

Funeral services for L. C. Pierce, 69, veteran life man of Los Angeles, who retired from active work a few years ago on account of ill health, were held at Santa Monica. Death resulted from a

heart attack. He was a big producer 20 years ago, when he was a member of the George A. Rathbun agency of the Equitable Life of New York, subsequently resigning to join the home office agency of the Pacific Mutual Life, of which he was later appointed assistant manager, a position now held by his son, Fred W. Pierce.

H. W. Stanley, general agent Equitable Life of Iowa at Wichita, Kan., was guest of honor at a surprise dinner given by his agency staff in celebration of his completing 30 years' service for the company in Wichita. Included among the guests were the medical staff and a number of prominent citizens of Wichita. Mr. Stanley's mother and sister were also guests. Mr. Stanley, the first Wichita man to secure the C. L. U. degree, has taken an unusual interest in civic affairs in Wichita.

Three insurance men are taking an active part in the annual convention of the Direct Mail Advertising Association in Kansas City this week. They are: R. K. Orr, president of the Wolverine of Lansing, Mich., on "Testing and Analyzing Business English;" W. G. Calderwood, treasurer Ministers Life & Casualty Union of Minneapolis, on "Direct Selling to a Class Market," and D. J. Murphey, director of publicity General American Life, on "The Product and the Market."

Isadore Samuels, general agent in Denver for the New England Mutual, is an active member of this year's community chest campaign.

The second week of October, Morris Fishman of Detroit became president of



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the Lincoln National Life Minute-Men Club for 1936. Membership is won by writing a specified large volume of business in the four months between Aug. 1 and Dec. 15. Mr. Fishman succeeds V. McNair of Washington, D. C., who was president last year.

Miss Mabel Lindly, 62, daughter of W. A. Lindly, founder of the Security Mutual Life of Nebraska, died after a long illness. In the earlier years of the company Miss Lindly was associated with her father in the direction of its affairs. Mr. Lindly died some years ago.

Commissioner E. A. Smith, Jr., of Utah was in San Francisco last week for a few days of combined business and pleasure—the latter being mainly football games. Before becoming commissioner Mr. Smith frequently acted as broadcaster of football games in Salt Lake City and vicinity over the national network, which hobby he has continued since becoming a state official. While in San Francisco, Commissioner Smith welcomed home Mrs. Smith, who has been visiting in Honolulu. Fire Prevention Week officials drafted Commissioner Smith to take part in the radio broadcast featured by station KGO, which was a reenactment of a serious San Francisco fire.

The legal firm of Parrish, Cohen, Guthrie & Watters, well known for its large insurance practice, located in the Register & Tribune building, Des Moines, announces that Robert W. Colflesh, M. A. O'Brien and Robert L. Parrish have become members of the firm, the title of which is changed to **Parrish, Guthrie, Watters & Colflesh**. Thomas Watters of this firm is especially well known to insurance people.

H. J. Crain, Atlanta, general agent Penn Mutual, was named director of the central division of the Community Chest campaign in Atlanta. This division comprises the business section of the city and is the most important territory to be canvassed.

Miss Elizabeth Stevens of the Life Insurance Sales Research Bureau at Hartford was married to Dwight A. Hoff. Mrs. Hoff will continue her duties as the office manager of the bureau. She is known to many of the life insurance people and is regarded as one of the conspicuously successful women executives of the country.

H. E. Watlington, Jr., Alabama state agent of the Aetna Life, died in a Birmingham hospital following several months' illness.

F. R. Maffei of the Pittsburgh agency of the Ohio State Life, has just completed 300 weeks of consecutive production.

L. A. High, manager of the Columbus, O., agency of the Ohio State Life, who was injured in an automobile accident near Lima, O., several months ago and has been confined to a hospital in Lima since that time, is now able to sit up and may return to Columbus next month.

Rudolph Wiedemann, district manager in charge of the Equitable Life of New York's office in Hollywood, Cal., has been elected president of the Hollywood Kiwanis Club, which is one of the large business organizations of that community. The Hollywood organization continues to lead the entire western department of the Equitable Life for the first nine months.

J. D. Kitrell Plans Appeal

DENVER, Oct. 16.—Being held in the county jail pending his removal to Leavenworth where he is scheduled to serve a four year sentence, J. D. Kitrell, Denver promoter, is planning to appeal to the United States Supreme Court from his conviction of evading government income tax. Kitrell was president of the defunct Paramount Life of Denver.

Ralph C. Price, superintendent of agencies Jefferson Standard Life, is touring the Pacific Coast field.

ONE—EM—DASHES

Products of Alabama Wrecks and Telegrams Smith and Titles

President S. F. Clabaugh of the Protective Life of Birmingham, in his preliminary remarks before he gave his address at the American Life Convention, boasted of the fact that both he and S. T. Whatley, vice-president Aetna Life, who was presiding over the Agency Section where Mr. Clabaugh spoke, are Alabamians. He said that Alabama had come into great prominence. For instance, Joe Louis, the prize fight champion, is an Alabama product. Furthermore, he said, the only Negro congressman hails from Alabama. Then he said that the ace of the air forces in Ethiopia who in fact comprises the entire fleet, is an Alabamian.

Vice-president Frank H. Davis of the Penn Mutual Life did not arrive at the Edgewater Beach Hotel in Chicago where he was to speak at the Agency Section of the American Life Convention, presided over by Vice-president S. T. Whatley of the Aetna Life, until the first speaker had almost completed and the time had about arrived for Mr. Davis to be introduced. He came panting and puffing into the room. It seems that the Broadway Limited on which he was riding from Philadelphia got behind a freight wreck and was over an hour and a half late. He did not know how to notify Mr. Whatley of the delay. Finally he devised a plan of writing a telegram and pinning it to a daily paper, attaching a dollar bill to it, throwing it off at a tower and trusting to good fate that the towerman would get it and send the telegram. When he was apologizing for being late, he turned to Mr. Whatley and asked him whether he had received a telegram. Mr. Whatley replied in the affirmative. Mr. Davis said that he was handing this on as an item of information and suggestion if anyone else got caught in the same predicament.

V. R. Smith, general manager and actuary of the Confederation Life of Toronto, who was introduced at the American Life Convention where he spoke, with a number of titles after his name, thus following the Canadian custom, said he was in the same position as the Negro who was on the witness stand. He was asked what was the occupation of his sister and he replied, "She is a domestic." Then he was queried as to his occupation and his answer was, "I am a technicality."

RECORDS

Reliance Life—Nine months' production 17,649 new life policies for \$35,192,632, a gain of 2,445 policies and 22 percent in amount. Accident and health insurance increased 19 percent in the same period. New life insurance paid for in September was \$3,966,379, a gain of 17.6 percent.

Union Mutual, Me.—Paid-for business for September gained 200 percent over September, 1934, to aggregate the largest volume of business in any one month since December, 1931. For the nine months ending Sept. 30 a gain of 74 percent was made, with an increase in average size of policy from \$1,798 in 1934 to \$2,306 for 1935.

Northwestern Mutual Life—New paid business, including annuities, in September totaled \$20,532,664, a gain of \$5,005,051, or 32.24 percent. The monthly increase over 1933 was 29.04 percent. September issued business was \$22,290,230. Seventy of the company's 85 general agencies showed increases during September, with 19 having already exceeded their 1934 sales. New issued business the first part of October was 28 percent ahead. For the first nine

months new paid business totaled \$203,676,817, including \$16,141,097 in annuities. The total is \$29,436,986 ahead of the same period last year, a gain of 16.89 percent. The increase over the 1933 period is 44.72 percent.

Connecticut Mutual—Paid life insurance for September increased 28.6 percent. Paid life sales, exclusive of single and annual premium annuities, for the year to date are \$69,560,948, increase 12.6 percent. The increase in new life insurance sales, plus an improvement in persistency of business already on the books, has combined to increase life insurance in force \$11,865,178, making the total in force \$904,496,116. Guaranteed endowment annuities the first nine months totaled \$31,595,784, a 70.7 percent gain.

Bankers Life, Neb.—Reports 40 percent more business issued in September than in September, 1934. Every month in 1935 has shown a substantial increase over the corresponding month of last year. On the year-to-date basis, 1935 is 30 percent above last year.

Union Central—Exclusively life production increased 37 percent in September and 42 percent in August, over the same months last year. Annuity business remains approximately the same. It will not show up as well in the statement because it is included at about

one-half its former value, but there has actually been little change. The company's business is running about 75 percent life business. Last year about 66 percent of the business was in annuities.

Atlantic Life—Paid business in September increased 42 percent. Assets are now at the highest point in company's history, President A. C. Swink told officers and employees at their annual gathering in Richmond. W. H. Harrison, vice-president and superintendent of agencies, spoke on the development of the business of life insurance and its important part in the social structure of the nation.

Southwestern Life, Tex.—Broke several records in September in drive honoring R. R. Lee, vice-president and agency director. Number of applications largest in history, totaling 3,093. September volume increased \$1,046,979 for a total of \$5,770,162 which was within \$150,000 of the best month in history. Sept. 30 was the best day in history with 347 applications for \$679,000.

Wisconsin Life—With August and September showing a greater volume of insurance written than in any similar period for more than four years, indications are that the last quarter of this year will be the best three months period the company has had since 1930. Premiums on new business for the first

How Canada Life Assets are Safeguarded!

Diversification

	% of total ledger assets
Cash, Government and Municipal Bonds (Canada, United States and Great Britain)	36.54
Other Government Bonds	38
Public Utility Bonds	12.97
Railroad Bonds	.95
Other Corporation Bonds	3.50
Preferred Stocks	1.78
Stocks of Canadian Banks and Trust Companies	1.34
Other Common Stocks	.17
Mortgages	22.80
Policy Loans	14.15
Real Estate (including Company's Buildings)	5.42

As at Dec. 31, 1934.....100.00

The Canada Life holds on deposit in trust, with trustees in the United States, assets in excess of the reserves required to cover all liabilities to United States policyholders and beneficiaries.

Canada Life Assurance Company

Established 1847

46 YEARS IN THE UNITED STATES

Total assets exceed \$242,000,000

nine months increased 45 percent. September new premiums gained 123 percent.

Kansas City Life—3,007 applications received in September averaging between \$1,600 and \$1,800. This is an increase in size of between \$400 and \$600. Leader in volume on net issued business was J. H. Fuqua of Texas who produced \$273,925. H. F. Gemme, Washington, D. C., had 48 issued applications.

Continental Assurance—Insurance in force has increased for 26 consecutive months, September adding \$2,000,000 plus, so there is now more than \$190,000,000 on the books, paid-for basis.

Issued business for three quarters of 1935 is \$34,293,860, up almost 30 percent on \$26,422,080 for the first three quarters of 1934.

October production so far 25 percent ahead of October, 1934.

Nathaniel Reese, Detroit, Provident Mutual—Up to Oct. 1 exceeded its total paid-for new business for the entire year 1934.

O. P. Schnabel, San Antonio, Jefferson Standard—After producing \$460,000 of paid business in August for the best month in eight years, the agency produced \$400,000 in September to honor Mr. Schnabel on his birthday and as a welcome when he returned from Des Moines. It is 14 percent ahead of its quota.

LIFE INSURANCE

The ONE Certain Protection . . .

The ONE Safe Investment . . .

TO how many of your investments can you point as being worth the same in dollars and safety as they were in 1929? It is heartening to note that Life Insurance is still the same safe sanctuary of protection, the same sterling asset that it has been for more than one hundred years in America.

- American business history holds no parallel to the records of life insurance companies in weathering depression periods with flying colors.
- The stewardship, vision and acumen of American life insurance management was never better illustrated than during the years 1929 to 1933.
- Of all forms of business in this country, it safely may be said that none suffered so little damage as the institution of Life Insurance.
- It is during troubled times that Life Insurance proves itself a citadel in which all men may take refuge.



Bankers Life Company

Gerard S. Nollen, President
Des Moines, Iowa

A MUTUAL LIFE INSURANCE COMPANY IN ITS 57TH YEAR

NEW JERSEY

NEW YORK

INDUSTRIAL—INTERMEDIATE

The Colonial Life Insurance Company

OF AMERICA

HOME OFFICE—JERSEY CITY, NEW JERSEY

Ordinary — Group

"A Good Company To Represent
—Represent a Good Company"

PENNSYLVANIA

CONNECTICUT

NEWS OF THE COMPANIES

Plans No Immediate Changes

Ohio Farm Bureau to Make Survey of Present Setup of Life of America, Just Taken Over

The Ohio Farm Bureau, which has purchased control of the Life Insurance Company of America of Columbus, plans to make a survey of the company's organization in an effort to see how the personnel and system will fit into the farm bureau setup. Until that is done there will be no changes, it is asserted. The name of the company will be retained, for a while at least, and the offices of the Life Insurance Company of America will remain in the A. I. U. Citadel until the present lease expires. The farm bureau organization has outgrown its present building on East Broad street in Columbus and is now renting office space in nearby buildings. Judge C. S. Younger, former state superintendent of insurance, and head of the life insurance company, has a contract, it is stated, to remain with the organization as president and general counsel.

The purchase of the Life Insurance Company of America is an interesting development.

Those who are familiar with the workings of the farm bureau in various states predict that the company will write a large business. The Country Life of Chicago which operates in Illinois on the farm bureau plan was started in 1928 and last year wrote \$11,964,191. It has \$66,029,998 insurance in force with an actual to expected mortality which for the past three years has not exceeded 28.8 per cent. The farm bureau in Ohio operates through the 88 county agricultural agents. The bureau is really a selling agency designed to furnish farmers their implements, fertilizer, insurance and other necessities at the lowest possible cost and at the same time to coordinate the efforts of the farmers in a political way. Last year the Ohio Farm Bureau Mutual Automobile wrote \$2,060,235 in premiums, an increase from \$1,671,398 the previous year. It has doubled its business in five years. Last year it started a farmers mutual fire company.

These Farm Bureau county agents are paid salaries, part of which comes from the state through the extension of the agricultural department of the State University and consequently the expense for selling the various products which the bureau handles is very low as all members are expected to make their purchases through the bureau. In the automobile field it is understood the acquisition expense is a \$5 fee for each policy, paid but once. The Farm Bureau itself is largely financed through the government. There are 100 farm credit unions which can discount their paper through the federal land banks and there is a rural electrification corporation which now has projects in prospect amounting to \$18,000,000 which, if accepted, will be financed with government money. The Ohio Farm Bureau owns the stock purchased from the American Conservation Company but it is understood that it is only because there are no provisions for a mutual life insurance company under the Ohio law that the company was purchased as all the operations of the farm bureau are on a cooperative basis.

Murray D. Lincoln is the moving spirit in the Ohio Farm Bureau and is a farm leader of national reputation.

Calls for Valuations Data

The Dominion department has notified life insurance companies operating in Canada that it prefers to proceed with the quinquennial valuation which falls due Dec. 31, under sections of the act providing for examination rather than a direct valuation. If a company pre-

fers to have the department make an independent valuation rather than examination, that will be acceptable. A. B. Watson, department actuary, calls for bases of reserves and cash surrender values or other guaranteed equities. In case of policies valued in a special approximate way, the method employed should be indicated. Copies of rate books and policy forms should be sent.

Investigation Is Ordered

County Prosecutor Schneider of Cincinnati has ordered an investigation of the charges against former officers of the now defunct Federal Union Life of Cincinnati. The charges were lodged by E. W. Pfitzer in behalf of a recently organized policyholders' committee. D. M. Outcalt has been appointed to conduct the investigation.

New Detroit Life Move

LANSING, MICH., Oct. 17.—The Michigan attorney general's department has filed a new motion with Federal Judge Moinet in Detroit asking dismissal of the suit in which federal receivership is asked for the Detroit Life. Judge Moinet granted a restraining order against Commissioner Ketcham, named custodian by the state court, and heard arguments, at first indicating he would dismiss the petition and later ordering the filing of briefs. After the attorney general's department, representing Mr. Ketcham, had filed its brief late last week, the new dismissal motion was filed, setting up six grounds for such action.

Assistant Attorney General Wilson said the federal court's restraining order has been modified to the extent that all necessary matters may be acted upon except payment of death claims.

Pacific Northwest Change

A new setup has been perfected in the directorate of the Pacific Northwest Life of Great Falls, Mont., a number of Great Falls business men being elected, including E. B. Coolidge, oil and gas operator and head of the state relief commission; Tom Staunton, Montana capitalist, and Dr. H. J. McGregor, chairman state highway commission and medical director of the company. These, with F. A. Woehner, wholesale druggist, who is president, and T. C. Bassett, insurance man of long experience, who is secretary-treasurer, form the board. Mr. Staunton is vice-president, and G. C. Byers assistant secretary. An expansion plan has been drafted to develop the state more fully.

Standard Burial Report

The Illinois department has made its report on the Standard Burial of Chicago. The department finds that there are unrecorded disbursements and has ordered that all such be immediately put on the records. Furthermore, directors must be elected in accordance with the charter and by-laws. Evidently the records have been rather clumsily kept and the department orders that in the future they be so maintained that a proper accounting can be made. There has been no death claim register. As of June 1 it shows assets \$1,166, liabilities \$300.

Form Southern States Life

A charter has been issued to the Southern States Life of Norfolk, Va., a non-stock corporation which plans to operate on the assessment plan. A temporary license has been issued by the Virginia department. A regular license will be sought after the organization has been completed. One of the promoters is E. D. Cooper, formerly with the Pan-American Life and also with the Security Life of Chicago. Officers are W. B. Baldwin, president; E. H. Herbert, vice-president; W. E. Hickman, secretary, all of Norfolk.

LIFE COMPANY CONVENTIONS

Buyers Are Still Reluctant

President Young of Monarch Life Tells How to Meet Problem at Regional Meetings

The problem of the "reluctant spender" was stressed by President C. W. Young of the Monarch Life in his addresses at regional meetings of that company. He took an optimistic view of general business conditions, expressing the belief that "we shall be able to hold most of the recent gains the rest of the year, and even to add something more before its close."

"However," he added, "we are all faced with a problem. The natural result of the depression has been the creation of an army of reluctant spenders. Nearly all of us have had the urge to buy, but what we did was to go out and just take a look. And this clutching regard for money stays with us long after the conditions which inspired it have disappeared. So whether you sell accident and health or life insurance, automobiles or refrigerators, or shoes, every salesman faces each day an abnormal number of reluctant spenders."

"The prospects want the comforts, conveniences, or profits which your particular merchandise or plan offers them, but a definite reluctance holds them away from the purchase. They have not yet learned to spend easily. They want to weigh and compare and consult. They want to be sure that they are getting the best the market offers in exchange for their important dollars. It requires little enticement to get these prospects to listen, but it requires the maximum of adroitness and sales strategy to close them, when the contact has been made."

Challenge to Agents

"The interest of these reluctant spenders in getting full value for their money suggests the proper sales strategy. The present situation offers a challenge to every ambitious agent who is willing really to fight for his share of the prospect's income. But it means fight, if the need for accident and health and life insurance is to become a more potent motivating force in the prospect's mind than are his present instinctive 'wants' for luxuries and amusements."

President Young also discussed briefly the social security act and its possible effects on insurance.

Attendance at the meetings was based on production over a six months' period. About 100 representatives from the northern and eastern states met at Briarcliff Manor, New York. The second meeting brought 60 men from the central states to the Edgewater Beach Hotel in Chicago. The programs were built around demonstrations of selling talks, with emphasis on the use of "visual" materials.

The conventions were in charge of Vice-president J. W. Blunt and Agency Secretary A. W. Crowell. Sales sessions were conducted by F. W. Merritt, agency supervisor.

Honor 70-Year Policyholder

W. J. Warren, 93, Evansville, Ind., civil war veteran, was honored at a convention there of Louisville and Evansville representatives of the Mutual Benefit Life. Mr. Warren, who has been a Mutual Benefit policyholder for 70 years, was the guest of honor at a luncheon. J. G. Weill, Owensboro, Ky., spoke at the luncheon. G. F. Ream, assistant superintendent of agencies; Carroll Otto and H. M. Sollenberger, general agents at St. Louis and Springfield, Ill., respectively, attended the meeting.

Mr. Ream spoke at the banquet on the history of the company and J. R. Duncan, department store manager, on "Insurance from the Policyholder's Viewpoint."

Arranges for 1936 Rallies

Lincoln National Life Announces the Plans for Regional Meetings for Next Year

Sites and dates for the 1936 regional meetings of the Lincoln National Life have been announced by Vice-president A. L. Dern. They are:

Eastern states, Homestead Hotel, Hot Springs, Va., June 18-20.

Central states, Lawsonia Country Club Hotel, Green Lake, Wis., June 24-26.

Western states, Hotel Del Monte, Del Monte, Cal., July 13-15.

Although the qualifying period for attendance at the meetings next year opened only six months ago and does not close until March 31, 1936, many representatives have already qualified. An increase of more than 142 percent in the number this year to date over the number who had qualified at the same time last year is reported.

Up-State New York Agents of Provident Mutual Meet

Provident Mutual agents from Albany, Buffalo, Olean, Rochester and Syracuse attended an up-state New York sales conference at Higby's, Big Moose. W. D. Cross of the agency department presided the first day and Franklin C. Morss, manager of agencies, the second day. The first session was devoted to methods of prospecting and developing business, R. W. Tipping, Buffalo manager, giving a definite prospecting system and Mr. Morss telling of the company's advertising and direct mail prospecting services. Mr. Morss was toastmaster at dinner the first evening.

The second day the subjects were salesmanship, selling for old age security, closing, a definite sales plan and optional settlements as sales helps, Mr. Morss summarizing the conference. J. S. Scott, general agent at Rochester; E. H. Perkins, general agent, Albany; L. A. Beers, Syracuse manager, and C. E. Carpenter, general agent at Olean, also were on the program.

Hold Sales Meetings in Texas

A. R. Perkins, agency director Jefferson Standard Life, and H. T. Childre, superintendent of agencies west of the Mississippi, held an agency meeting in San Antonio, Tex. Mr. Perkins spoke on "Qualifications of a Successful Salesman." The qualifications he listed were attractive personality, courteous bearing, a thorough knowledge of the policies presented and the needs of the prospect before presentation and work. Mr. Childre spoke on the "Progress of the Agencies" and designated the O. P. Schnabel agency of San Antonio as the leading agency.

Accompanied by Mr. Schnabel, Messrs. Perkins and Childre conducted a series of sales meetings at Austin, Corpus Christi, Laredo and Del Rio.

Berkshire Life Cruise

Nearly 200 members of the Berkshire Life's field force sailed this week for the field club convention in Bermuda. The home office is represented by President F. H. Rhodes, Vice-President H. L. Amber, Medical Director Frank Harnden and Agency Secretary J. S. Winings. In the New York City contingent will be General Agents S. S. Wolfson, W. M. Carroll, Jr., and R. A. Van Alst, Jr.

Southland Life Convention

The agency convention of the Southland Life will be held Oct. 28-30 in Dallas. The guest speakers will include R. L. Daniel, chairman of the Texas board of commissioners; R. B. Hull,

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

● Complete Substandard and automatic Reinsurance facilities embrace so wide a field that prompt policy issuance—regardless of size—is the rule and not the exception.



No Mere Coincidence

"It is surely no mere coincidence," writes a well-known economist, "that life insurance is most successful in the countries in which there is the greatest speculative activity in stocks and shares. Life insurance is a method of SAFE saving."

Like other progressive life companies whose agents are well equipped with modern contracts, The Great-West Life has found a fertile field in the healthy desire which actuates most men in their attempts to build up an estate. The stability of life insurance has never been more powerful as a selling factor than it is today.

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LIFE AND ACCIDENT INSURANCE COMPANY

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LIFE, ACCIDENT, HEALTH AND GROUP INSURANCE

Robert J. Maclellan
President

W. C. Cartinhour
Vice-Pres. and Sec.

MUTUAL TRUST

LIFE INSURANCE COMPANY



FULL LEVEL PREMIUM
THREE PERCENT RESERVES

PARTICIPATING INSURANCE FOR
MEN, WOMEN AND CHILDREN

PIONEER IN JUVENILE INSURANCE
POLICIES "JUST LIKE DAD'S"

OPERATES EAST AND WEST

Maine	New Jersey	Nebraska
Vermont	Ohio	North Dakota
New Hampshire	Michigan	South Dakota
Massachusetts	Wisconsin	California
Connecticut	Minnesota	Oregon
Rhode Island	Iowa	Washington
	Illinois	

MEN WHO BELIEVE THEY HAVE GENERAL AGENCY
QUALIFICATIONS MAY OBTAIN FULL PARTICULARS
BY ADDRESSING THE AGENCY DEPARTMENT.

managing director National Association of Life Underwriters; William McCraw, attorney-general of Texas, and E. O. Thompson, railroad commissioner.

Company officials who will have places on the program will include: H. L. Seay, president; C. E. Linz, first vice-president; W. E. Talbot, vice-president and agency manager; P. N. Thevenet, vice-president and secretary; P. V. Montgomery, vice-president and actuary, and Lorry Jacobs, director of public relations.

Arnold at Lincoln Meeting

O. J. Arnold, president Northwestern National Life, was principal speaker at a joint agency convention at Lincoln attended by 55 field men from Nebraska and Iowa. Arthur Adams, Lincoln manager, presided. Business prospects and sales methods were discussed. The meeting was held in Lincoln so that the company might act as host for the Minnesota-Nebraska football game.

Mr. Arnold told the agents the increase in new business the first three-quarters of the year was satisfactory, and that the company's chief problem is investment of funds.

Hold Southeastern Meeting

ATLANTA, Oct. 17.—With 75 in attendance, a meeting of the southeastern agencies of the Massachusetts Mutual Life was held here. Retirement insurance was especially featured. Harry L. Davis, Atlanta general agent, was host.

Laurence E. Simon, New York City general agent and president of the company's General Agents Association; Seneca M. Gamble, manager of the di-

rect mail division, and A. T. Haley, general agent at Greensboro, N. C., were the principal speakers. Several field men also spoke.

The general agents attending the convention were Henry White, Knoxville; G. H. McDonald, Chattanooga; J. C. Montgomery, Mobile; C. H. Patter, Nashville; T. C. Looney, Jr., Memphis; E. J. Meyer, Montgomery; Anthony Harty, Savannah, Ga.; F. W. Drake, Birmingham, and A. T. Haley, Greensboro.

Hold Rally at Hot Springs

Agencies of the Equitable Life of New York in Little Rock, St. Louis, Oklahoma City and Memphis held a sales conference Oct. 11-12 at Hot Springs, Ark. The meeting was sponsored by General Agents L. G. Moses, Little Rock; R. Henry Lake, Memphis; M. G. Nelson, St. Louis, and Homer Jamison, Oklahoma City.

Home office representatives were W. W. Klingman, vice-president; Gage E. Tarbell, senior director; H. J. Rossman, southern department superintendent; Dr. G. C. Trawick, medical referee; W. M. Rothaermel, central department superintendent; W. J. Roddey, commander of the Veteran Legion and group supervisor; J. A. Patton and R. J. Blevins. Approximately 200 agents attended.

A. O. Swink, president of the Atlantic Life, and William H. Harrison, vice-president and superintendent of agencies, plan to take a trip through the south and southwest before returning to the home office from the American Life Convention meeting in Chicago.

AS SEEN FROM CHICAGO

LARSON NAMED SUPERVISOR

Paul Larson has been appointed supervisor by General Agent J. C. Caperton of the State Mutual Life in Chicago. Mr. Larson has been an agent in the office since 1930.

DUNNE RESTORED TO POWER

James E. Dunne, publisher of the "Insurance Index" of Chicago, who for a month was catapulted out of his position as publisher, has now regained the presidency of his organization and is restored as publisher. Mr. Dunne declares that he was illegally dethroned. He has now gotten all the stock in his own name. Mr. Dunne states that the reporting service, "Dunne's International Reports," is a separate corporation from the "Insurance Index" and he has always had hold of the reporting end of the program.

POTTER RETURNS TO LIFE FIELD

Willett M. Potter, who has been in charge of the forgery bond department of the U. S. Guarantee in Chicago for the last two years, has gone with Stumes & Loeb in that city, general agents of the Penn Mutual Life, as agency supervisor. He was formerly an agent for Stumes & Loeb for three and a half years and therefore is well versed in life insurance. He has had an all-round experience. He served the General Indemnity for four years in Chicago and for some time was connected with the O'Brien Insurance Agency in that city doing general work.

JENSEN HEADS UNDERWRITERS

At the first annual meeting of the Chicago Home Office Life Underwriters Association, with President Ray Anderson, Central Life of Illinois, in the chair, Dr. R. H. Fisher, Chicago medical referee, Northwestern National Life, talked on "Blood Pressure as an Underwriting Problem." By the use of charts and diagrams he outlined causes of high blood pressure and its probable effects in underwriting risks showing even slightly elevated blood pressure. H. Jensen, manager policy department Federal Life,

was elected president; G. P. Kendall, manager ordinary underwriting department Washington National, secretary-treasurer, and C. E. Menor, chief underwriter Mutual Trust Life, was named chairman membership committee. Two new members were elected. Dr. M. H. Cronenberg will speak at the November gathering on "Occupational Diseases and Underwriting Problems." W. J. Isaac, "Insurance Index," is retiring secretary-treasurer.

DAVIS MANUAL ON SALE

The Davis Life Insurance Manual, 1935-36 edition, containing a review of 44 legal reserve life companies, has just been published by and may be purchased from the H. A. Davis Company, First National Bank building, Chicago, at \$15 a copy. A foreword explains that the 44 companies reviewed were required to have been operating on a legal reserve basis continuously and under the same form of management for more than 15 years, and to have had more than \$100,000,000 of life insurance in force on Dec. 31 last.

There were excluded companies, the stock of which is controlled by another life insurance company and which did not qualify under the continuity of management standard established by Mr. Davis. Also companies "which had a disproportionately small surplus or reserve for contingencies, after following the usual practice of setting up a full year's dividends for 1935 as a liability Dec. 31, 1934."

In the foreword Mr. Davis states that in including a company in the book he took into consideration financial position, effectiveness of operation and ability to meet cash demands. His figures were secured from annual statements. The book shows the history of each company, the special points of interest, the last annual statement in full, premium income, a 10-year record of assets and insurance in force shown in chart form, and another chart giving an analysis of the policyholder's dollar. The book includes tables of various elements of the company's management and experience. In arriving at various

standards, Mr. Davis took the statements of the 10 largest life companies as a guide. The book contains no ratings or recommendations, its purpose being to exhibit the most complete information

possible regarding the companies treated. The full list of each company's directors is shown in addition to the officers. There is a complete policy analysis of each company setting forth the terms of the contracts issued.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Some Instructions Are Given

New York Life Announces Provisions and Limits on Single Premium Insurance and Annuities

The New York Life announces new provisions and limits applying to single premium insurance and annuities. It says: "Single premium endowments of any type will not be issued for a shorter period than 15 years. The maximum aggregate face amount of single premium insurance issued on one life cannot exceed \$100,000. The maximum aggregate consideration for single premium annuities issued on one life cannot exceed \$100,000. Moreover, the maximum aggregate total of life insurance single premiums and annuity considerations cannot exceed \$100,000. Thus if an applicant now applies for, or has in force upon his life, insurance with a single premium of \$30,000 the company would not accept from him more than \$70,000 additional as consideration under a single premium annuity."

Will Apply in Aggregate

"The above limits will be applicable to the aggregate amount of such contracts and not merely to the amount obtainable in a calendar year as heretofore—but policies more than five years in force will not be counted in the aggregate. Thus in the aggregate there must be included all single premium life insurance or annuities issued within five years prior to the new application and no additions will be considered until further notice."

"All single premium insurance and annuity policies purchased by the same person, irrespective of the number of lives involved, will be included in the aggregate. Thus if a father applies for single premium insurance or annuities upon his life and upon other members of his family, all such policies will be considered as one transaction coming within the limits applying to a single person."

Accumulative Retirement Annuities

"Accumulative retirement annuities will be taken at the maximum amount which could be issued, in determining the foregoing limits. For example, an accumulative retirement annuity taken in 1933 or 1934 upon which \$5,000 had been paid would count for its maximum of \$50,000, or if issued in 1935 for its maximum of \$25,000. Settlement options will not be granted as applying to cash surrender values under single premium insurance policies and retirement annuities."

"Settlement options, special agreements or trust certificates will not be granted if the beneficiary is a corporation or the policy is assigned. No exceptions can be made to these rules and the company reserves its rights to exercise its discretion and issue smaller amounts than those stated above if it is deemed necessary, and to charge an extra single premium to substandard risks on single premium policies."

The following notice regarding settlement of maturing policies was sent out to cashiers:

"It is our practice to allow the company's agents to assist in the settlement of death claims and maturing endowments and to deliver to them the com-

pany's cheque in settlement of such policies. We do not wish to change this practice. In turning over any such settlement to an agent you must observe and comply with the following instructions:

"We have found that some agents have been advising beneficiaries—in many cases women who know little about business—to take the proceeds of a death claim and purchase an annuity despite the fact that the beneficiary would be much better off to avail herself of one of the annuity optional settlements guaranteed by the policy."

"The superintendent of insurance of New York has advised all life companies, doing business in this state, that it is oftentimes in the interest of the beneficiary, who desires to secure an income rather than to receive the proceeds of the maturing policy in a single cash payment, to apply the proceeds of the maturing policy under one of the installment options contained in the policy to purchase an annuity or income at the rate provided in the table of installment benefits included in the maturing policy. Where the beneficiary has acquired such right the superintendent of insurance points out that before any annuity policy shall be issued, the beneficiary be fully advised of the optional method of settlement available."

"In the future the company will refuse to issue an annuity contract on the life of a beneficiary under a maturing policy where it would be advantageous to the beneficiary to apply the proceeds of the maturing policy to purchase a life income under Option 3, unless the application for the annuity is accompanied by a letter over the signature of the applicant setting forth satisfactory reasons why a new annuity contract is desired."

American Life & Accident

The American Life & Accident of Missouri has authorized its agents to write waiver disability on all juvenile monthly premium policies, providing that in the event of death or disability of the beneficiary and premium payer, the policy becomes fully paid-up until the insured attains age 21. If the policy is a 10 or 20 payment life and the date to become paid-up is prior to the 21st birthday of the insured, no premium would be required from the insured. But, if the policy should be an endowment 85 and the beneficiary should become disabled or die when the insured is two years old, the premiums would be paid by the company until the applicant attains the age of 21.

Amicable Life

The Amicable Life of Waco, Tex., has issued a schedule of new and lower rates for its ordinary life select risk and 20 payment life select risk policies.

At age 20 the new rate for the ordinary life select risk is \$13.48; age 25, \$15.10; 30, \$17.19; 35, \$19.91; 40, \$23.50; 45, \$28.35; 50, \$35.79; 55, \$45.78; 60, \$59.22.

For the 20-pay select risk, age 20, the new rate is \$20.72; age 25, \$22.53; age 30, \$24.71; 35, \$27.40; 40, \$30.75; 45, \$35.72; 50, \$42.45; 55, \$51.23; 60, \$63.14.

Union Central Correction

A statement a short time ago that the Union Central was issuing a single premium deferred annuity contract selling for \$1,067 per unit which pays 3 percent guaranteed interest plus surplus interest and has a cash value of \$1,000 per unit in the first year was incorrect. The Union Central does not, and had not issued this contract.

LIFE AGENCY CHANGES

Luin Home Office General Agent of Yeomen Mutual

Preston H. Luin, until recently assistant manager of the Des Moines agency of the Yeomen Mutual Life, has been awarded the Des Moines general agency, succeeding Arthur J. Johnson.

Mr. Luin has been in the business in Des Moines since 1922, when after two years as an agent he became special representative for the home office of the Merchants Life. He was later affiliated with the Lincoln National, and then returned to Des Moines to become general agent for the North American Life. He has been with the Yeomen Mutual for three years.

Johnson Agency Changes

Several changes are announced in the Holgar J. Johnson general agency of the Penn Mutual Life in Pittsburgh. W. A. Arnold, II, becomes manager of training and W. J. Wright becomes unit supervisor. Mr. Arnold has been connected with the agency for seven years,

and has been unit supervisor two years. He will now be responsible for recruiting and training in the western Pennsylvania division. Mr. Wright has also been with the agency seven years.

D. H. McQuiston becomes branch manager at Erie, Pa., succeeding D. M. Conway, who is made manager of the estate conservation and tax division of the agency. Mr. McQuiston has been connected with the agency two and a half years.

Joins Columbus, O., Agency

Colby W. Young, formerly of the Chicago office of the Aetna Life, has become manager of the group life and group disability department of the Columbus, O., agency of the Midland Mutual, of which E. C. Deckard is manager. Ross W. Deckard has been made supervisor in the agency.

Moulton Goes to Texas

Harper Moulton, former millionaire producer in Chicago for the Provident Mutual and former Kansas City general agent of that company, who has been



Columbian National Fieldmen are not only good shots—They also have first class, complete equipment for hunting—and bagging—their game.

The COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
A NEW ENGLAND INSTITUTION
HOME OFFICE
BOSTON - MASSACHUSETTS

in personal production at Chicago for three years, is now associated with A. C. ("Tex") Bayless, general agent of the Southland Life in Houston. Mr. Moulton is devoting part of his time to personal production there and part to supervising and training agents.

Huff Expands Organization

Perez Huff, resident vice-president Bankers National Life, has appointed W. B. Lassiter district manager in Seattle. He was formerly with the Metropolitan Life. H. F. Ahlswede is made special representative at Long Beach, Cal., and C.

G. Bandy special representative in Los Angeles, where Mr. Huff has headquarters.

Stone Oklahoma Manager

The Midwest Life of Nebraska has appointed R. J. Stone of Tulsa as state manager for Oklahoma.

R. C. Mix Goes to Virginia

Robert C. Mix, who has been agency superintendent at the head office of the State Mutual Life, has been assigned to Richmond, Va., to enlarge the agency plant of the company in the state. Her-

bert Hill of Richmond is general agent for Virginia.

Opens Columbus Office

The United of Chicago has opened office in the Standard building, Columbus, O. E. G. Ellefson, who has offices in Toledo, is district manager. He expects to increase his staff in Columbus to 15 agents.

Named Kankakee General Agent

R. P. Des Lauriers has been appointed general agent in Kankakee, Ill., for the General American Life. He was formerly district manager at South Bend, Ind., for an eastern investment company.

Borsky with Lincoln National

The Lincoln National Life has appointed Paul Borsky, who has just finished 14 years of service with Franklin

Life as general agent, as special representative in its Omaha agency. He has a record of having written two applications a week for 13 years.

Life Agency Notes

C. H. Aldrich has become manager of the life, health and accident insurance department of the Mytinger-Randall Agency, Wichita Falls, Tex. He has been connected with the United Fidelity Life for several years.

J. H. Gray, agency supervisor in the H. D. Leslie agency of the Northwestern National Life in Los Angeles for the past year, has resigned to accept a similar position with the A. E. Payton agency of the New England Mutual Life there.

A new organization to be known as Richard A. Harrison & Associates has been organized at Sacramento, Cal. Mr. Harrison for the past three years has represented the John Hancock Mutual Life under the general agency of K. L. Brackett of San Francisco and was the leading personal producer of that agency last year.

September business doubled that of September a year ago. Month after month, representatives of Bankers Life Insurance Company of Nebraska enjoy increased income.

AMONG COMPANY MEN

Prudential Promotes Wurfel

Will Have Charge of the Mortgage Loan Activities in Succession to A. M. Woodruff

NEWARK, Oct. 17.—The Prudential announces the election of Lester E. Wurfel as vice-president, to succeed A. M. Woodruff, recently retired. He will be in charge of the mortgage loan activities of the Prudential.

Mr. Wurfel has been with the Prudential since November, 1906, when he was enrolled as a clerk in the actuarial department.

He served as a clerk until 1916 in both the actuarial and policy departments, in the meantime having attended New Jersey Law School after working hours and acquiring his degree. During the latter years of his activity in the policy department he was the attorney in charge of assignments.

In 1916 he was transferred to the law department as a member of the legal staff, later serving two years as supervisor in the mortgage department. He was assistant secretary for five years and served as second vice-president during the past five years.

He acquired his early desire for the law through six years of clerkship, before entering the Prudential's employ, in the office of N. C. J. English, then prosecutor of Union county.

F. E. Agnew Advanced

F. E. Agnew, Jr., assistant treasurer of the General American Life, has been named an assistant vice-president. He went to St. Louis from New York in 1933, when W. W. Head became president of the General American. Since that time he has been in the investment department. He had been associated with Mr. Head previously in New York, prior to which he was with the Continental Illinois National Bank in Chicago. He is a graduate of Knox College, Galesburg, Ill.

Trentman Receives Promotion

W. H. Trentman, agency field director of the Occidental Life of Raleigh, N. C., for the past five years, takes charge of the agency department as director of agencies. He left his position as state club leader with the New Mexico A. & M. College to enter the business in 1922 as an agent of the Pacific Mutual. He went with the Occidental in 1926, and after field experience was appointed manager of the branch office in Charleston, W. Va., in 1927. In 1928 he was made supervisor of the western North Carolina agency with headquarters at Charlotte. In 1930 he was taken to the home office and traveled over all states in which the company operates. Mr. Trentman succeeds Price R. Cross, director of agencies for the past

five years, who has resigned, to become editor of the "Dixie Underwriter."

Brainard, Westbrook in Texas

M. B. Brainard, president Aetna Life, and S. F. Westbrook, vice-president in charge of the mortgage loan department, were the guests of Elmer Abbey, San Antonio general agent, and went from there with Ed Tarrant of E. B. Chandler & Co., loan representative in that section, to Port Aransas on a pleasure trip.

Mr. Westbrook spoke at a luncheon of the Dallas Junior Chamber of Commerce on "Community Service."

INDUSTRIAL

Hauk Goes to Cincinnati

H. Glen Hauk, formerly assistant superintendent of the Prudential in the Richmond, Ind., district, has been made superintendent of Cincinnati No. 3. He started with the Prudential as an agent in Richmond and later was made assistant superintendent at Newcastle, Ind.

Dies Following Luncheon

Daniel J. Murphy, district manager for the John Hancock Mutual at West Warwick, R. I., died suddenly following a luncheon attended by leading representatives of the southern New England John Hancock districts.

Since 1913 he had been with the John Hancock, beginning at Pittsfield, Mass. Three years later he became an assistant manager and in 1927 was appointed district manager at North Adams, Mass. In 1931, he took over the management of West Warwick.

O'Rourke Is Dead

William T. O'Rourke, Prudential superintendent in Chicago, is dead. He was a veteran of many years and was unusually well known for his clever sales contests.

Walker With Franklin National

The Franklin National Life of Greenville, S. C., announces the appointment of J. M. Walker as superintendent of the Columbia, S. C., district. Mr. Walker was president of the Palmetto State from its organization until a few weeks ago.

The company, which was organized in March of this year, has opened 10 districts in South Carolina as follows:

Greenville, C. N. Mobley, superintendent; Anderson, W. E. Snipes; Greenwood, R. L. Scurry; Spartanburg, T. D. Jones; Rock Hill, J. C. Higgins; Columbia, J. M. Walker; Sumter, M. L. Amick; Florence, C. J. Kennedy; Orangeburg, G. H. Hughes; Charleston, O. C. Kilpatrick.

YOURS TO ENJOY

THAT is the title of a de luxe brochure around which Fidelity has built a direct mail work plan with which to supplement its successful lead service. These two workable tools offer an organized plan of work which is unusually resultful.

A Life Income for You

That is the selling theme around which the work plan is built. It is a theme which induces a cordial reception, a fair hearing and substantial business. Fidelity offers, in addition to its Income for Life plan, Family Income, Family Maintenance and an Adjustment plan—all peculiarly suited to today's needs.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

NEWS OF LIFE ASSOCIATIONS

Austin Has Strong Program

Notable List of Speakers Announced for Sales Congress to Be Held in Texas Capital Nov. 1

AUSTIN, TEX., Oct. 17.—A strong program has been prepared for the sales congress to be held at Austin, November 1 under the auspices of the Austin Association of Life Underwriters. Speakers include: L. R. Stevens, superintendent of agencies, Volunteer State Life, Dallas; Sam R. Hay, Jr., agency secretary Great Southern Life; O. Sam Cummings, Dallas, Texas state manager Kansas City Life; R. B. Hull, managing director National association; R. L. Daniel, life insurance commissioner; G. A. Helland, San Antonio general agent Connecticut Mutual Life; Arthur Coburn, vice-president Southwestern Life, and H. K. Cassidy, Houston general agent Pacific Mutual Life. B. T. Cantrell, Great Southern Life, is chairman of the program committee.

A report on the Des Moines convention by Mr. Cantrell featured the October meeting.

* * *

Brailey Stresses Value of Association to Its Members

E. W. Brailey, Cleveland general agent New England Mutual Life and former president of the Cleveland Life Underwriters Association, spoke on "The Value of Being Organized," at the sales congress conducted by the Cleveland Accident & Health Association. His suggestions were based largely on his own experience with the life underwriters association. He emphasized the power of an association with a strong, virile, numerically large membership in helping to correct unethical practices in the field and exerting a strong influence against ill-advised legislation. He also emphasized the educational and money value of meetings such as this sales congress, which could be conducted only by a strong organization.

"To secure the benefits of this program would be beyond the reach of the individual except by cooperating with his fellows," he said. "If only one idea with a cash value is obtained and adopted in an entire year, the agent will be repaid a hundredfold for his small

Veteran Agent Features Program in Indianapolis

John W. Jay, 81-year-old veteran life agent of Fortville, Ind., spoke to the Indianapolis Association of Life Underwriters this week. Mr. Jay is district agent of the John Hancock Mutual Life and has a record of 36 years service. He discussed "Three Dozen Years as a Life Underwriter." Ernest A. Crane, past-president of the local association and recently elected a trustee of the National Association of Life Underwriters, discussed National association affairs.

Mr. Jay began his career in life insurance at the age of 45, having been a teacher and superintendent of schools in Hancock county. He was an outstanding writer of life insurance for many years, and served as agency supervisor for the John Hancock from 1913 to 1919. In a typical year, before the automobile era, working around Fortville, Mr. Jay insured 270 lives for \$328,000 of life insurance protection, and walked 1,400 miles.

investment in the dues incident to membership.

"If two friends each possessed of a dollar meet on a street corner and exchange dollars, neither one of them is any richer for the experience. But if two accident and health producers, each possessed of a proven business getting idea, meet on the street corner or at this sales congress and exchange these ideas, each is twice as rich in sales ideas for having exchanged with his fellow. Many a commission check has found its way to my bank account because I have used sales ideas adaptable to my personal use, secured on just such an occasion as this sales congress."

He also spoke of the value of the social contact obtained in such an association and the advantage of knowing one's fellows in business rather well. He said that it inspires increased respect for and confidence in the business and also makes a better impression on the prospect to be able to refer to one's competitors, so-called, as fine, upstanding agents known by personal contact as square shooters and worthy of any prospect's confidence.

* * *

Hull on Speaking Tour

R. B. Hull, managing director National Association of Life Underwriters, is starting a speaking itinerary through the southwestern states. He will address the agents convention of the Southland Life at Dallas, Oct. 28, and the sales congress of the Austin, Tex., association Nov. 1. He will also address the Muskogee, Okla., association November 2. At all three meetings he will repeat the address he gave at the Des Moines convention.

* * *

Davenport, Ia.—C. A. Kutler, National Life of Vermont, led a discussion on "Making Use of the Federal Estate Taxes to Write Life Insurance," and C. C. Minard, Prudential, directed a discussion on "Making Use of the Gift Tax to Write Life Insurance." The November meeting will be held Nov. 8.

* * *

New York City.—Capt. Tim Healy, well known radio speaker, urged the advisability of educating children of school and high school age on the merits and uses of life insurance. Captain Healy, whose radio program is directed mainly to young people, pointed out that boys and girls are eager for information and quick to understand. The life insurance business could well afford to gain the interest and good will of this group of future buyers, he declared.

At its regular monthly meeting the New York association unanimously passed a resolution pledging the support of its members to a program of public information about life insurance to be undertaken by the New York association in cooperation with the National association.

Newspaper advertising and news information are to be employed in telling the story of life insurance as the financial institution most deeply imbedded in the social and economic life of the nation.

* * *

Pittsburgh.—The Pittsburgh association heard a discussion of the social security act at the first of its five fall business-getter sales clinics. What the act means to the insurance business and to the agent in the field was treated by S. B. Crocker, manager group department Aetna Life, Pittsburgh. He said the facts brought out by the act are of great interest to everyone making his living in life insurance. The feature of contributory old age pensions, he said, is of greatest importance to insurance men.

* * *

Oklahoma.—At the first fall meeting of the Oklahoma association C. C. Day, general agent Pacific Mutual, cited the administration of Past President Riehle as outstanding in the history of the National association, due to strides made in eliminating part-time agents. This movement, he believes, will be a major factor in establishing life agents in professional status. "I believe from now on agents will find it more difficult to

(CONTINUED ON LAST PAGE)

"The Ultimate Consumers"

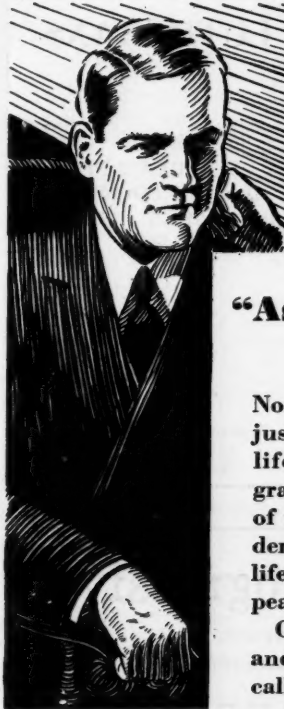
An authority on insurance selling has said that most life insurance salesmen forget women, the ultimate consumers of life insurance.

Emphasis today is put not on insurance but on what it does.

Some dwell on what it does for the policyholder, some on what it does for his family. State Mutual offers one contract which covers both contingencies and simplifies the selling job.

STATE MUTUAL LIFE ASSURANCE COMPANY WORCESTER . . . MASSACHUSETTS

Over 90 Years a Synonym for Security



"As a Man Thinketh, So Is He"

No other business generates the justifiable pride possessed by life insurance salesmen who grasp the intrinsic humaneness of the services which they render. There is an altruism about life insurance selling which appeals to our sense of service.

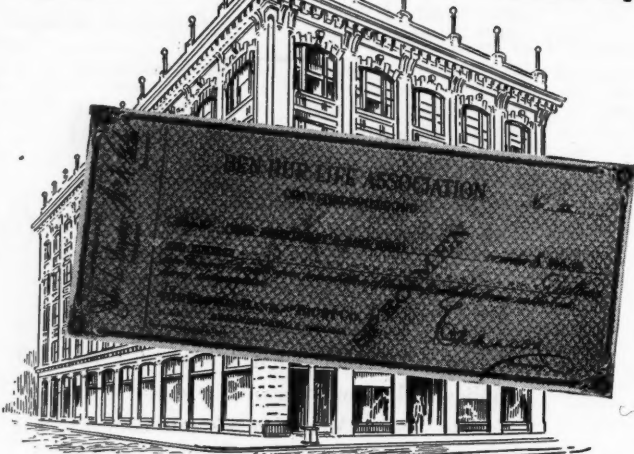
General American Life men and women are proud of their calling.

GENERAL AMERICAN LIFE INSURANCE COMPANY
WALTER W. HEAD, PRESIDENT

St. Louis, Missouri

Life • Salary Savings • Group
Accident and Health

A Part of Every Ben Hur Policy



Fourteen years ago the Ben Hur Life Association, in line with its consistent policy of prompt settlement of claims, patented the above type of check as an integral part of every Ben Hur adult contract. It is for one-tenth of the face amount of the policy and, when necessary, can be cashed at local banks IMMEDIATELY after the death of the policy holder. Furthermore, red tape has been eliminated and the sun never sets on an unpaid just claim at the Home Office.

BEN HUR LIFE ASSOCIATION

Founded: 1894

Home Office: Crawfordsville, Indiana

John C. Snyder,
President

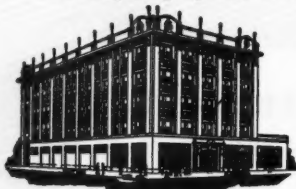
Edwin M. Mason,
Secretary

AID ASSOCIATION FOR LUTHERANS

APPLETON, WISCONSIN

The largest legal reserve fraternal life insurance society for Lutherans in the United States and Canada, and operating strictly within the various Synods of the Synodical Conference.

Insurance in force.....\$152,016,926.70
Assets, July 1, 1935.....Over \$17,000,000



Our Own Home Office Building

Thirty-Three Years (1902-1935) of Real Fraternal Service
Alex. O. Benz, President
Wm. F. Kelm, Vice-President

BENEFITS PAID SINCE ORGANIZATION IN 1902

Death Benefit	\$4,385,569.86
Sick Benefit	1,331,692.47
Total Permanent	56,435.00
Disability Benefit	42,367.92
Old Age Benefit	3,391,577.67
Cash Surrender	5,066,633.12
Surplus	\$14,274,276.04
Total	

Wm. H. Zuehlke, Treasurer
Albert Voecks, Secretary

Aggressive and Progressive

Our record speaks for itself.
Splendid territory still available.

LUTHERAN BROTHERHOOD

HERMAN L. EKERN, Pres.

608 Second Ave. S.

Minneapolis, Minn.

TAKE BOTH

Life men who write automobile or fire insurance, as well as life, should read The National Underwriter (Fire, Automobile and Casualty section, \$4 a year), as well as the Life Insurance Edition. Both on one subscription, \$5.50 a year.

SEND ORDER NOW TO A-1946 INSURANCE EXCHANGE, CHICAGO.

NEWS OF THE FRATERALS

New Mexico Suits Are Filed

Tax Action Taken Against Several Fraternal Societies by State Authorities

Another state, New Mexico, in addition to Oklahoma and Arkansas is going after fraternal societies for premium taxes and license fees retroactively for many years. Several petitions have been filed in New Mexico against various societies by Insurance Superintendent George A. Biel, and C. R. McIntosh, special assistant attorney general, demanding substantial sums. Many societies operating in the state have received notices that unless they pay the amounts demanded within a month after receiving notice a penalty of \$500 a month will be assessed.

A demand for \$3,506 was made against the Women's Catholic Order of Foresters of Chicago and the Woodmen of the World of Omaha also was sued. The petitions ask judgment on amounts claimed due since 1914.

All of the actions in the three states have been based on the claims that fraternal societies had extended their operations on a basis comparable with the old line legal reserve or so-called "commercial" companies, taking them out of the class of charitable institutions eligible to tax exemption. A number of suits in the other states have been successful, several large judgments being rendered.

Urge Return to Old Form

Expansion of the tax collection effort in the state in which it started—Oklahoma—is believed due to the activities of a legal firm which developed a method of attack. A considerable number of fraternal leaders are giving serious thought to the question whether, in increasing the number and benefits of their certificates in line with old line practices, the societies have not lost the privileged position which they occupied for many years and exposed a point of great vulnerability. Some chief executives are convinced that the fraternal societies have left their proper field of operation and should return to it by strictly limiting the certificates issued to the pure protection form.

The New Mexico suits were filed in face of the uniform fraternal act which specifies that fraternal insurance societies are charitable institutions and exempt them from all taxes and licenses.

Protected Home Circle in Some Head Office Changes

Harry G. Moore was appointed treasurer in the head office of the Protected Home Circle, and also director, succeeding the late F. B. Gilbert. Mr. Moore had been assistant secretary since September, 1933, and has had a responsible part in management of financial affairs. He had much experience in banking and as a national bank examiner for the 4th Federal Reserve district, entering the Protected Home Circle's auditing department in 1926. Joseph Spencer, who has been auditor since January, 1931, was elected assistant secretary in place of Mr. Moore. He became traveling auditor for the Protected Home Circle in 1926.

To fill the office held by Mr. Gilbert as chairman of the law committee, W. R. Cubbon of Cleveland, a director, was appointed to the office. To succeed Mr. Moore as chairman of the mileage and per diem committee, Joseph Nelson, statistical department, was appointed.

Treasurer Gilbert Dies

Frank B. Gilbert, treasurer of the Protected Home Circle, Sharon, Pa., since 1926 and former mayor of that city, died after a long illness at the age of 66. He had lived in Sharon over 45 years, practicing law. He became supreme guide of the society in 1905.

Tells Benefits of 3% Basis

Williams Addresses Aid Association for Lutherans' Convention—Commissioner Mortensen Speaks

Advantages of 3 percent reserve basis under which the Aid Association for Lutherans will operate after Jan. 1 were discussed by N. J. Williams, Neenah, vice-president Equitable Reserve Association, before the sales conference of general and full time agents of the Aid Association in Appleton, Wis. The three-day conference was attended by some 200 agents from 41 states and Canada. The Aid Association is taking the lead in getting on a sounder basis, even though it will require a slightly higher policy cost, Mr. Williams commented. There will be more loan value and larger dividends possible under the new system which, he said, the Equitable Reserve is planning to adopt soon.

President Benz Talks

A. O. Benz, president Aid Association, discussed "Qualities Necessary for Successful Underwriting," G. D. Ziegler, chairman of the board, made the address of welcome, and J. D. Reeder, actuary, led a discussion on new policies. Commissioner H. J. Mortensen of Wisconsin was a speaker, saying life insurance is the greatest business in the country and holds strategic position because it is in good condition and in favor with the public. It has withstood depression better than any other business and as a result the field of prospects has been enlarged and agents will meet with better response in the future.

He cautioned against misrepresenting policies and overloading the buyer, as this leads to dissatisfaction and lapse. To be a good life insurance agent, Commissioner Mortensen said, it is necessary to have a definite selling program and prospect list to carry it out.

Nebraska Congress to Hear Commissioner Smrha Speak

OMAHA, Oct. 17.—Nebraska representatives of 12 fraternal societies will convene here Oct. 22 for the annual session of the Nebraska Fraternal Congress. C. L. Biggs, recorder, Maccabees, Detroit, is scheduled to give the principal address. Ira L. Mitchell, Maccabees at Omaha, is president, and Mrs. Ida B. Kennedy, Woodmen Circle, Lincoln, secretary-treasurer.

Other convention speakers will be: Dr. E. Bradshaw, president W. O. W., Omaha; Mrs. Dora A. Talley, president Woodmen Circle; Charles Smrha, Nebraska insurance commissioner; Mayor Roy Towl, Omaha, and P. F. Gilroy, Denver, president National Fraternal Congress and head W. O. W., Denver.

Society Seeks Injunction Against Iowa Commissioner

Suit for injunction against Commissioner Ray Murphy of Iowa, from assuming jurisdiction over the Fraternal Aid Association, on the ground it is not an insurance organization, was filed in Polk county district court, Des Moines, by counsel for the association. The complaint stated the association is organized and operated for sole benefit of members, and as a fraternal order with ritual. It desires to be free of submitting by-laws and articles of incorporation to the insurance department, and from interference in its business.

Taylor Appointed Actuary

H. R. Taylor of Cedar Rapids, Ia., has been appointed actuary of the Modern Woodmen. W. N. Phillips, former ac-

(CONTINUED ON LAST PAGE)

SALES IDEAS AND SUGGESTIONS

Plain, Direct Talk Important Factor in Closing Cases

It is sometimes necessary to compromise with the prospect as to the amount of the policy in order to close the case, T. F. O'Keefe, general agent Connecticut General, told 70 members of the Qualified Life Underwriters of Detroit at the third of a series of fall sales clinics. This clinic was devoted to "Closing Cases." A. J. Hanson, agency organizer New York Life, presided.

Often the underwriter can appeal to the prospect's pride in the closing with good effect, Mr. O'Keefe said. The prospect may have plenty of property and may balk at the close because he feels he does not need to carry insurance to provide for himself and his family. In such case the agent should point out to him that while the property may be valuable, it may not always continue to produce income.

How Owenton, Ky., Agent Led New York Life Force

Mr. O'Keefe asserted his belief that the most important factor in the close is a plain, direct talk at the right point in the interview, something along this line: "You and I have talked this over fully; you agree with me that it is the thing to do. All right, let's do it right now!"

J. G. Prather, agent of the New York Life in Owenton, Ky., who in this town of 900 led all New York Life producers in number of applications written in September, emphasized the need for

supplying an incentive in order for the producer to do his best work. He cited his own case as an example.

In 1934 he wrote \$88,000 after having been in the business for ten years. Late this summer an agent in Minnesota challenged the entire New York Life agency force to a contest for "apps" in September and Mr. Prather set about the task of beating this Minnesota agent.

He appealed to his friends in the rural community, stirring up their pride in bringing a record of this sort to the state, and he worked harder than he had ever worked before. He had an incentive. In some cases he sold two and three policies to the same policyholder and he kept the town informed of his progress. As a result he wrote 104 "apps" for \$229,500 that one month and beat the challenger.

BE YOURSELF: LANGMUIR

"Sell insurance in your own way; make your own plan and follow that plan," Vice-president C. H. Langmuir of the New York Life counsels in a fine article on "Be Yourself" in the company's publication, "Nylc Review." Mr. Langmuir said that he had thought a long time about what could be said of greatest practical value to the life insur-

ance man beset by a multiplicity of new ideas, and the above advice was the result.

"You hear the wonderful ideas of the program experts, the business insurance experts, the tax experts," he writes, "and you may say to yourself, 'I must be a probate law agent, a tax agent, or some other kind of specialist.' I urge you not to feel that way. Add ideas, yes; read, study and progress; but do not revolutionize the methods you have found to be successful. Be yourself."

Five Types of Agents

He stated that in doing so it might be well to analyze oneself to determine what type of life insurance man he is. There are five types, he writes, the "there-are-no-strangers" agent; the "one-selling-plan" agent; the "change of age" agent; the "life insurance engineer," and finally, the "life profession" agent.

The latter, Mr. Langmuir says, embodies the other four types. The finest example of this type, he said, is Isaac S. Kibrick, president of the Top club. He likes people and they like him. He chooses for each client the policy best adapted to his problem. He has a real system for using the change of age idea. Last year he secured over \$300,000 of business insurance.

His business is persistent, and it has grown steadily. In 1916, his first year, he wrote 99 policies for \$128,000, an average policy of \$1,300. In 1917 he wrote 210 applications for \$207,000, average \$1,000; in 1918, 179 for \$378,000, average \$2,200; 1919, 103 for \$663,000, average \$6,437. By 1930 his average policy was \$7,800, and last year he sold 112 policies for \$1,231,000, average over \$10,000.

Of the business sold in his first year,

State Mutual Agents Are Conducting Sales Analysis

All State Mutual agents are making complete activity records of their work for the last three months of the year, in order to secure a composite picture of sources of business written. Judgments will be made on the basis of paid volume and number of lives. Lists are made up by agents at the beginning of each month containing the most likely prospects, each form being long enough to contain an inventory of 75 prospects. Records of progress are kept, showing listed prospects and also those added during the month. Activity record sheets are sent to the home office at the end of each month and a statistical study made. A point basis will be used in the study, \$3,000 being taken as an average size policy and one application a week as ideal. Thus 100 percent efficiency during the three months is 12 lives for \$36,000 volume. Production is divided in three classes according to percent of efficiency.

of which 33 percent should have lapsed in five years according to general results, only 18 percent had lapsed. Mr. Kibrick sold 101 policies in 1930 for \$788,500, of which \$683,000 is in force, a lapse rate of only 13 percent.

Mr. Langmuir summarized his advice: "(1) Gather all the ideas you can from everywhere, but do not revolutionize; make your own plans. Be yourself. (2) Master thoroughly the policies offered by your company. Do not be sidetracked or diverted from the sale of true life insurance protection."



LIFE REINSURANCE EXCLUSIVELY

LAWRENCE M. CATHLES
PRESIDENT

99 JOHN STREET

NEW YORK CITY



LIFE INSURANCE HAS KEPT FAITH

The business of life insurance has kept faith, to the utmost, with the public and today when rich man, poor man, every man is seeking good investments which have 100% guarantee during life, and after death, they turn to life insurance.

From the day the corner stone was laid the builders of Peoples Life Insurance Company have striven for the fulfillment of their dream—a life insurance company builded to keep the faith of the institution of life insurance and one always ready to continue indefinitely the function of protection.

Cold, unrelieved figures of the achievements of the past year, and years, are proof of the uncompromising standard of honesty, the unselfish desire to be of service and the triumphant fact that the Peoples Life, sturdy as the oak, stands ever ready to continue its function of protection.

PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT

INDIANA

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 THE BOURSE PHILADELPHIA

FRATERNAL NEWS

(CONTINUED FROM PAGE 18)

tuary of the society, has been appointed consulting actuary and F. J. Gadiant has been named head of the actuarial department of the Rock Island office. Mr. Taylor long has been known in the field, being a son of R. D. Taylor, well known consulting actuary of Cedar Rapids, Ia., and having compiled the "Fraternal Digest" published by THE NATIONAL UNDERWRITER.

Oklahoma Congress Meets

The annual meeting of the Oklahoma Fraternal Congress will be held at Oklahoma City, Oct. 30-31, business meeting being held the first day with a dinner-dance in the evening. There will be a business session the second day and memorial service, installation of officers and drill team exhibition that night. Miss Ruth Meadows is president; Noah Watts, vice-president, and Eva Ryan, secretary-treasurer. The Oklahoma Juvenile Fraternal Congress meeting was held at Belle Isle Park, Oklahoma City.

Hawkeye Congress Gathers

The Hawkeye State Fraternal Congress will hold its annual meeting at the Hotel Roosevelt, Cedar Rapids, Ia., Oct. 24. Insurance Commissioner Ray Murphy is scheduled as a speaker. P. N. Temple is president, C. J. Graves secretary, and C. J. Burgin, Maccabees, prepared the program.

Auditor Smith Is Dead

J. A. Smith, 73, auditor of the Homesteaders Life, Des Moines, died of a heart attack at his home there. He had been with the company 27 years.

I. A. C. to Map Program

A meeting of the executive committee of the Insurance Advertising Conference is to be held in New York Oct. 23 to formulate plans for the year and to coordinate the activities of several new committees. A luncheon meeting will be held in December.

The following committee chairmen have been named: Preparation of programs, W. L. Lewis and D. C. Gibson, Maryland Casualty; frontier safety, R. G. Richards, Atlantic Life; public relations, Frank J. Price, Jr., Prudential; membership, Jarvis W. Mason, London Assurance; street and highway safety, S. F. Withe, Aetna Casualty; standards of practice, Henry H. Putnam, John Hancock Mutual; promotion of 1936 accident and health week, Stanley F. Withe.

ASSOCIATIONS

(CONTINUED FROM PAGE 17)

find a permanent berth in the life underwriting field," he said. He gave a talk on the philosophy of selling. There are only three things with which a man must be endowed to make a success in the line, he said: Observation, power to interpret and decision. The cardinal rules for selling he outlined as: Never to argue, never talk life insurance but talk life, get agreement on majors, and never let the prospect write the rules. Vital steps of business sales procedure, he said, are the approach, identification of economic problem to the prospect, firmly fixing the problem, then presenting life insurance as the most logical solution and pointing out specific recommendations, which should lead up to closing. In building his sales philosophy, Mr. Day each afternoon returned to the office to dictate verbatim the interviews he had had. By comparison of different interviews and eliminating those that had been generally unsuccessful, he arrived at his present code.

Chicago—Frederick Bruchholz, agency director New York Life and president, Chicago chapter of C. L. U., was installed as chairman of the general agents and managers division of the

Chicago association at a meeting of the division. Gifford T. Vermillion, Milwaukee manager Mutual Life of New York, gave a talk on selecting agents. F. H. Haviland, manager Connecticut General, is retiring chairman.

Columbus, O.—At the first meeting of the season L. S. Broadbudd, general agent Acacia Mutual, Chicago, who was one of the speakers at the Des Moines convention, discussed "The Balanced Underwriter."

Boston—At the October meeting Commissioner F. J. DeCelles was the chief speaker. Paul F. Clark, John Hancock, and C. C. Gilman, National of Vermont, gave echoes from the national convention and told of the preliminary plans for the next national convention in Boston next September.

San Antonio, Tex.—Sam R. Hay, Jr., agency director Great Southern Life, spoke on the "Social Security Act." He commended the purpose of the act, discussed the probability of amendments in the future, and pointed out sales implications and possibilities which this legislation has provided for the life underwriter.

G. E. Nowotny, general agent Amicable Life, New Braunfels, reported on the Des Moines convention. O. E. Eby, president Austin association, announced the sales congress there Nov. 1 and extended an urgent invitation to the San Antonio life underwriters.

Wichita, Kan.—Dr. W. H. Mikesell, head of the psychology department of the University of Wichita, spoke on "The Psychology of Selling," the first of a series on the subject. P. M. Anderson, veteran Northwestern Mutual representative, will talk on "My 38 Years in the Life Insurance Business" at the next meeting.

Northern New Jersey—Life insurance deals with the important problems in human experience, James Elton Bragg, manager Guardian Life, New York City, said at a luncheon-meeting in Newark. He also pointed out the many good things it brings in life after the bread winner has passed out of the picture.

Prior to Mr. Bragg's talk, L. G. McDouall, trust officer Fidelity Union Trust Co., Newark, gave a brief talk on taxation and asked the cooperation of the life underwriters with the bankers of the state at the coming election.

Thirty-seven new members were admitted. The next meeting will be held Nov. 11.

St. Paul—A resolution was unanimously adopted pledging support to a program of publicity to acquaint the public with the economic value of life insurance.

Dewey Johnson, deputy insurance commissioner, spoke in the absence of Commissioner Yetka, who was out of the city. Mr. Johnson discussed the activities of the department and referred briefly to the recent order banning the use of rating books in solicitation of business. He said it was "the abuse, not the use" of the books which the department sought to check.

Reports on the Des Moines convention were given by Earle Elide, Prudential; H. C. Martens, Provident Mutual; Warren Johnson, Mutual Life of New York, and Melvin Meyer, Guardian Life.

El Paso, Tex.—Stressing that the social security act is not a substitute for life insurance, President Floyd Smith said the impelling need for life insurance protection and income for families of America in event of premature death continues and can be met only through life insurance. There should be no conflict between the social betterment program and the institution of life insurance as a private enterprise, he declared.

Denver—The first issue of "Life Notes" has been sent to the members of the Colorado association. The bulletin called attention to the association office recently established in Denver under the direction of a full-time secretary.

Tacoma, Wash.—Commissioner W. A. Sullivan addressed the October meeting.

Washington, Pa.—R. M. Stevenson, general agent National Life of Vermont, Pittsburgh, spoke on "Taxes Relative to Insurance and Annuities," reviewing a few of the fundamental features of the present tax situation which affect these two types of protection. He emphasized the opportunity for

agents to increase materially their business the rest of 1935 by pointing out the prospects the possibility of making gifts now through life insurance, thus effecting large savings in gift taxes, which will be sharply increased effective Jan. 1, 1936.

Interest in Inflation Book

Insurance people are showing considerable interest in the booklet "Inflation and Your Money" by Howard Wood, financial editor of the Chicago Tribune, which has just been published. Mr. Wood treats the subject from various aspects in most readable fashion. It is a strong denunciation of those who are embarked upon the "mad path of easy money."

J. A. Hawkins to Speak

The Mayfield & Bowen Indiana state agency of the Midland Mutual will hold a meeting in Indianapolis Friday. Among those from the home office who will attend are J. A. Hawkins, manager of agencies, and his assistant, R. S. Moore. Since joining the Midland Mutual in April, this agency has written more than \$500,000.

Convict "Death Benefit" Salesman

B. H. Hellen of Des Moines was found guilty at Cedar Rapids, Ia., of violating the insurance laws in selling "death benefit" insurance without license from the insurance department. Penalty is a fine of \$100 to \$1,000 or jail sentence up to one year.

President J. L. Loomis of the Connecticut Mutual Life, a member of the class of 1901 at Yale, has been elected a trustee of that university.

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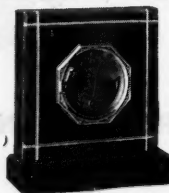
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